

The National Underwriter

LIFE INSURANCE EDITION

FRIDAY, DECEMBER 4, 1931



First Policy Issued In September 1851

On its Eightieth Anniversary, the Phoenix Mutual Life Insurance Company of Hartford, Connecticut, re-affirms its belief in the simple, logical principles upon which its progress has been built. Each passing year has deepened the conviction that (1) adequate service to the public can be accomplished only through men carefully selected and thoroughly trained, and (2) that such representatives will uphold the high standards of the Company and make the greatest contribution to the welfare of its policyholders.

The Phoenix Mutual will continue to build its field organization of carefully selected and thoroughly trained men. It will continue to support them liberally with advertising and other selling aids. Its purpose is to enable them to enjoy the generous rewards made possible by quality business and the most efficient use of time.

That is why Phoenix Mutual service will always be attractive to business men of outstanding ability and discernment.

Decem

HOOPER-HOLMES

THE "ASSOCIATED PRESS"

of your business



WHEN you pick up the morning paper you see news despatches from Washington, 'Frisco, Peiping or Cape Town. "A.P." brings them to your breakfast table. That is news service made possible by a world wide personal news reporting organization.

In your business it is often just as important to have available personal reports on people with whom you contemplate doing business. You want news of a particular person, partnership or corporation. Built to meet that need is The Hooper-Holmes Bureau, an organization operating in the United States and Canada for the specific purpose of furnishing advices in regard to insurance and credit risks.

Like the "A.P." for news—Hooper-Holmes is directly in contact with its thousands of inspectors and correspond-

ents, ready at a moment's notice to complete a report such as you may request. But unlike the "A.P.", Hooper-Holmes inspection reports are not broadcast. They are confidentially prepared for the individual use of clients.

Fifty seven offices in the United States, manned by trained inspectors are reporting to practically every outstanding industry in this country today. This is evidence in itself of the important role which personal inspection service plays in the modern business world.

The nationwide facilities of The Hooper-Holmes Bureau are devoted to the compiling of Moral Hazard Inspection Reports for insurance underwriting, credit, commercial and employment purposes and Claim Reports. Address inquiries to 102 Maiden Lane, New York.



THE HOOPER-HOLMES BUREAU, Inc.

27 years old—and he had never been sick before!

TWENTY SEVEN years old—and he had never been sick before! Of course there was a childhood recollection of measles and the mumps, but not in years had he ever known more than a cold. Now he is flat on his back, the house hushed, the doctor coming twice a day . . .

Youth and a fine physique are in his favor. But as he lies there, all he can think of is . . . his wife . . . and his baby . . .

"I've just got to get well . . . but suppose I don't . . . what would they do without me? What was it I read about Aetna's new Family Income Plan? Why didn't I send for that booklet? Perhaps I can never pass a physical test again . . ."

But to make a long story short, he did get back on his feet and passed his life examination 100%. He now knows the peace of mind of a man who has made definite provision for his loved ones. *Without strain on his present earnings*, his family is protected with a \$5,000 Aetna Family Income Policy. Should he be flat on his back again, and *not* recover,



his family will have at least \$50 every month from the time of his death until the twentieth year from the date of his policy. This is 12% on its face value—double the return on any other conservative investment.

But that isn't all, for at the end of the twentieth year, *in addition* to the monthly payments already received, his family will also be paid \$5,000 in cash—coming right at a time when his wife, relieved of family responsibilities, should have some measure

of financial independence for herself.

Later, as he can afford it, he will take out another \$5,000 policy . . . in this way, he has a definite plan for building up an insurance estate with a monthly income large enough to *continue* his family's standard of living.

Perhaps you yourself have been meaning to send for our Booklet, "Now We All Can Be Fair to Our Families". Why not use the coupon, now?



Mail This
Today!

ÆTNA-IZE

THERE IS AN ÆTNA-IZER IN YOUR COMMUNITY—HE IS A MAN WORTH KNOWING

The Aetna Life Insurance Company, Hartford, Conn.

Please send me your free booklet, "Now We All Can Be Fair to Our Families".

Name _____

Address _____

Trained Aetna representatives in every part of the United States and Canada are qualified to offer helpful suggestions in arranging your life insurance program.

The Aetna Life Insurance Company, The Aetna Casualty and Surety Company, The Automobile Insurance Company, The Standard Fire Insurance Company of Hartford, Conn.



This, the last in the Aetna Life's series of 1931 national advertisements, appears in the December 5 issue of the Saturday Evening Post. It features one of the strongest appeals in life insurance—the penalty of "putting it off". It is a powerful opening wedge for Aetna-izer follow-up.

Ætna Life
Insurance
Company

Hartford, Connecticut

The Aetna Life's New Home



Passes Time's Test

*The Human Arithmetic
of Life Insurance.*

ADDS + *to your peace of mind*

SUBTRACTS - *from your worries*

MULTIPLIES X *your advantages*

DIVIDES ÷ *the responsibility of providing for your dependents*

**GET INSURED
KEEP INSURED!**



THE EQUITABLE
LIFE ASSURANCE SOCIETY OF THE
UNITED STATES

THOMAS L. PARKINSON, PRESIDENT

393 SEVENTH AVENUE, NEW YORK

The National Underwriter

LIFE INSURANCE EDITION

Thirty-Fifth Year No. 49

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, DECEMBER 4, 1931

\$3.00 Per Year, 15 Cents a Copy

Nims-Taylor Use Heavy Artillery

Letters to Stockholders Denounce

Methods of M. J. Dorsey

FIGHT IS MORE BITTER

Taylor Won't Be Candidate for Reelection—Control of Missouri State Claimed for Dorsey

The E. D. Nims faction, which is pitted against the M. J. Dorsey group in the fight for control of the Missouri State Life, brought out the heavy artillery this week. Mr. Nims is chairman of the board of the Missouri State and his group is promoting a voting trust agreement.

In a second communication to stockholders, Mr. Nims replied to some of the charges brought out in a letter from the Dorsey faction soliciting proxies. He traced the complicated history of the sale of the Inter-Southern Life to the Keystone Holding Company and next to the Security Life of Chicago and said, "By an investment of \$2,841,500 of the assets of the Security Life, the Keystone interests are seeking to control the Missouri State Life with assets of \$160,000,000 and insurance in force of about \$1,500,000,000.

Frown on Pyramiding

"While this transaction may be technically legal," Mr. Nims declared, "at least some of the directors of your company do not believe in this method of pyramiding. I do not believe it is to the interest of your company or to the interest of the insurance business to turn our company over to people who believe in these methods. Furthermore, the insurance companies they now control are having trouble and have been refused a license to do business in some of the states, and hearings are pending in other states."

Hillsman Taylor, president of the Missouri State Life, also addressed a letter to stockholders announcing that he will not be a candidate for reelection at the annual meeting of the directors in January, 1932. His withdrawal is prompted, he said, by the desire to remove himself as an issue. He also elaborated the charge of pyramiding.

What Result Would Be

"The obvious aim of all this pyramiding," he said, "was to reach your great company with its \$160,000,000 of assets. The obvious intention was and is to sell the Security Life stock to this company at a price sufficient to pay off Keystone's indebtedness and make its owners a profit.

"You would then have your company owning Security, which owned 30 percent of Missouri State—an interlocking, confusing, unsound and intolerable situation.

(CONTINUED ON PAGE 10)

Life Company Problems Are Now Being Solved

While life companies are having their troubles they are weathering the storm in excellent shape and are pulling out gradually. While some of the companies have been badly wrenching they have kept their equilibrium and will ride out of the gale successfully. Perhaps today the most important matter before many companies is that of investments. Financial officers are put to it to know just what kind of securities to buy. While public utility bonds have been favorites yet there are indications of weakening in that field of investment. Some prophets predict that in ten years time there will be quite a change in the public utility field in that there will be stricter regulation of rates.

Railroad securities certainly are not what might be called the certain type because the roads themselves are having no end of trouble because of their lessened income. Financial officers agree that the wisest course for a life company to follow is to get as diversified a portfolio as possible within the range allowed by law. This means, of course, that there should not be too large a percentage invested in one class of security nor too much invested in one undertaking. Some companies have suffered because they invested too largely in the securities of one corporation or enterprise.

Some City Loans Safe

Many companies feel that in the business or substantial residential sections of cities mortgage loans can be made with safety where the value is sufficient. A number of companies are therefore studying conditions in cities with the thought in mind that they offer as desirable a class of loans as can be had. Some city properties have been overloaned and for that reason real estate bonds are in a bad way. These buildings were bonded not on value but on earning power when times were good and the whole building occupied. Conservative companies however feel that in the cities, loans can be selected that are perfectly safe and have value back of them.

Offices of life companies have been taking too much for granted. They have based their judgment on conditions remaining unchanged. They did not anticipate a catastrophic condition that would shake the entire structure. Never before has there been such a sacrifice of principal in investments. While interest has defaulted from time to time the security itself was usually good and there was no primary loss. Now some companies are faced with sharp losses of principal. Interest earnings, of course, have fallen off badly because so many securities of various kinds are in default.

Look for Dividend Reductions

It is generally agreed that mutual companies will be forced to reduce their dividends. The Union Central Life took heroic measures when it cut its dividends in two. Mutual companies cannot be expected to pay the dividends under all sorts of conditions. They increase their dividends when the companies are making more money. They should not be expected to keep up that scale.

The income disability issue is now being ironed out with more and more companies returning to the simple wai-

ver of premium clause. However the field, so called, is greatly in favor of the disability clause. Now that it has been so widely exploited and people are demanding it, some companies will remain in the arena but with higher rates and greater restrictions. The feeling exists evidently in some quarters that where proper underwriting is used, adequate rates charged and careful inspection made, this form of coverage can be written with some profit. A number of companies will continue to grant income disability. Those that have not met with heavy reverses in this direction are disinclined to abandon it. The officials of some companies have been opposed to it from the start and naturally they will get out of it now that the retreat has started.

Agency Pressure Is Strong

One of the causes of much trouble is the sharp competition in the field and the agency pressure. The disability clause was liberalized and got far from its legitimate channels because companies vied with one another in the field and sought to give their agents the very best talking points they could in the way of a disability clause without adequate premium or careful underwriting. Therefore many companies piled up liability of unknown dimensions and they are now feeling it.

This tendency to run to extremes and to accumulate potential havoc has been manifested in a number of directions. Companies may find themselves in trouble over their guaranteed income policies where the guarantee may be beyond the power of the company to fulfill on the merit of the policy earnings and so it will have to draw on its own resources. No official can look forward far enough to anticipate the rate of interest money is going to earn 10 or 25 years from now. Some companies have not been playing safe in their guarantees.

Solicitude About Annuities

In the opinion of many experts trouble is being piled up in the annuity field. Many have given the opinion that annuity rates are too low and that the companies cannot earn sufficient to break even. It is not supposed that the annuity trouble will be anything like the disability deficit. However as all companies are having more and more demands for income and investment forms of policies, annuities are popularized and more have been sold in the last two years than for the 10 year per-

(CONTINUED ON PAGE 24)

Reserves Issue May Be Up Next

Diversified Action of Companies on Disability Seen as Prime Factor

HINT ON NON-CAN ACTION

Rate Boost of 50 Percent Expected from A. & H. Carriers—Keen Competition Forecast

The decision of more than 50 life companies one way or another on the disability income clause, either for elimination or sharp restriction, by no means has solved the problem. Several significant angles to the troublesome question stick out like sore thumbs at this time.

The end of the year finds disability action shaping very well, with the majority of the companies withdrawing from the clause (either through official or informal announcement) but a substantial minority has not as yet pledged itself to a disability program, rather, refusing to retreat until they have satisfied themselves this important cover cannot be offered on some sound, conservative basis.

Reserve Issue Bobs Up

The few "billionaire" companies which have withdrawn, such as the Metropolitan, Prudential, Travelers, Mutual Life of New York, John Hancock, New England Mutual, etc., not only have exerted tremendous influence on the rank and file of American and Canadian companies, but it is barely possible that by so doing they have raised a hitherto unforeseen allied issue which will disturb the business for a time—that of proper reserves.

Although the president of one large company has besought his agency force not to make capital of the fact that his company is retaining the income clause on a restricted basis nor to make any odious comparisons, it is certain that many agents on both sides will do so.

Product of Competition

It is believed inevitable that many agents of those companies which are retaining the income clause will use this fact as a strong sales point, and just as surely the companies which are discontinuing the clause will defend their action by saying that any company which refuses to retreat from the staggering disability losses which have been experienced in the last few years, is apt to get in financial difficulties.

The constant competition it is believed will not end merely in these skirmishes between field forces but will manifest itself in an official action of deeper significance.

As the situation is analyzed this week by one well-known executive (whose company, it should be made clear, very

(CONTINUED ON PAGE 24)

C. G. Taylor, Jr., to Become Metropolitan Life Official

MADE THIRD VICE-PRESIDENT

Now Assistant Manager of Life Presidents Association and Long with Atlantic Life

Charles G. Taylor, Jr., assistant manager and actuary of the Association of Life Insurance Presidents, has been appointed a third vice-president of the Metropolitan Life, effective Jan. 1.

Mr. Taylor is well and favorably known in American life insurance circles, having begun his career in the Richmond, Va., office of the Mutual Life of New York. In 1906 he was appointed actuary of the Virginia department under Col. Joseph Button. In September, 1908, he became secretary and actuary of the South Atlantic Life, later the Atlantic Life. He became a director in 1913 and vice-president and actuary in 1914, resigning in January, 1925, to join the Life Presidents Association.

Former A. L. C. President

He was elected president of the American Life Convention in 1920, served on the executive committee for many years and as chairman of its special taxation committee. He was also a member of the executive committees of both the Life Insurance Sales Research Bureau and the Life Agency Officers Association. He has served as chairman of the Conference of Southern Life Insurance Companies and of the legislative committee of the Richmond Life Underwriters Association.

Max C. Fisher is appointed assistant secretary of the Metropolitan. He has been for several years a supervisor in the agency instruction division.

Barry Dinner Is the Big Social Event Next Week

The big social event of insurance week in New York City next week will be the complimentary dinner to Third Vice-president James Victor Barry of the Metropolitan Life, who will retire from active business the first of the year. Mr. Barry is regarded as an institution in himself. He is known as well in fire and casualty circles as he is in life insurance.

Alfred Hurrell, vice-president of the Prudential, will preside at the dinner at the Waldorf-Astoria next Wednesday evening. Henry F. Tyrell, legislative counsel of the Northwestern Mutual Life, is chairman of the general committee. The speakers representing various departments of the business will be President F. H. Ecker, Metropolitan Life; Commissioner Livingston of Michigan; C. F. Shallcross, United States manager North British & Mercantile; Frederick Richardson, United States manager General Accident; President E. M. Allen of the National Surety, and Col. Joseph Button of Richmond, Va., former Virginia commissioner.

Homer Guck, president of the Chicago "Herald & Examiner," a former Michigan newspaper man who is on the program, can not be present as William Randolph Hearst, head of his organization, has called a conference for that week. It is estimated that there will be more than 600 at the dinner.

Kansas Companies' Good-Will Trip

The second good-will trip of the Kansas owned life companies is being staged this week. There will be luncheon meetings at Council Grove, Great Bend, El Dorado and Ottawa and dinner meetings at McPherson, Pratt and Iola. There will be 21 towns visited on the trip. All of the Kansas companies are participating.

Joins Metropolitan



C. G. TAYLOR, JR.

C. G. Taylor, Jr., who becomes third vice-president Metropolitan Life Jan. 1, is well known to life insurance men throughout the country. He is a former president of the American Life Convention and was for many years with the Atlantic Life before joining the Life Presidents Association.

Twin Cities Rivalry Strong

St. Paul Challenges Minneapolis on Enrollment for C. L. U. Course at University of Minnesota

MINNEAPOLIS, Dec. 3.—St. Paul issued a challenge to Minneapolis, its ancient rival, that it would have a larger enrollment for the C. L. U. course at the University of Minnesota in February than Minneapolis, at a mass meeting of life agents and managers sponsored by the Minneapolis Association of Life Underwriters Tuesday. St. Paul announced 50 enrolled. Minneapolis countered with 75 prospects. The subject was discussed by speakers from the university and the two local associations, headed by Leon A. Triggs of Chicago, former president of the Minneapolis association. Dr. Huebner was quoted as predicting 1,500 candidates for the June examination as compared to 40 in 1928.

In preelection rumors, F. R. Olsen, Northwestern Mutual, is strongly mentioned for the next president of the Minneapolis association to succeed Rollo H. Wells, Northwestern National Life. The election will be held late in December. Mr. Olsen is now vice-president of the association.

Sees Interest of Life Men In Accident Coming Later

E. H. Mueller, Wisconsin manager Provident Life & Accident, says that life insurance agents have not yet shown much interest in the sale of commercial accident and health insurance. He believes, however, that this interest will come later after the agents are no longer permitted to sell the disability clause with the life policies. While many important companies have taken action to discontinue the sale of disability insurance, the dates upon which discontinuances become effective begins in November and runs through to Jan. 1. Therefore, even those agents whose companies will not be writing disability insurance are now engaged in selling it and will not be thinking so much of accident and health insurance possibilities until after the first of the year.

More Rigid Examinations for "Jumbo" Risks Planned

COOPERATIVE ACTION LIKELY

Electrocardiograph to Be Used in All Cases of \$100,000 or Over After First of Year

Electrocardiograph examinations for all cases of \$100,000 or over will be required by most leading life companies after Jan. 1, it is understood on good authority. It is expected that fluoroscopic examinations as well will be required for cases of this size within the next few months. The same requirements would apply where the amount applied for in all companies is \$300,000 or more.

It is expected that companies will establish facilities in the larger centers where agents may take their prospects to be examined without the expense and delay usually experienced in dealing with independent laboratories.

Cooperate on Facilities

The scale of charges of these laboratories is far from uniform and such institutions, not being in the life insurance business, do not realize that the prospect is frequently not so completely sold on taking the insurance that he will not back out if he is handled undiplomatically, or kept waiting overly long.

It seems likely that companies will cooperate on such examination centers, as the expense of the equipment and operation is considerable. An electrocardiograph machine costs about \$3,500 and requires a skilled operator. It is believed that such centers could furnish examinations for about \$10 each. The present rate in independent laboratories varies widely but frequently runs about \$25 and sometimes as high as \$50.

May Change Sales Methods

The effect of such rigid examinations would probably be most felt by agents whose method in handling big cases is to sell the examination to the prospect first, waiting to clinch the sale until after the examination has proved successful. Obviously a prospect will have to be a great deal more thoroughly sold on buying insurance than is frequently the case at present, or he is likely to balk at the idea of taking the time and trouble to be examined with an electrocardiograph and a fluoroscope.

It is also expected that the use of these instruments will be extended to many borderline cases where there is a medical record or where an impairment shows up in the ordinary examination.

Whitsitt Elected Assistant Manager of Life Presidents

NEW YORK, Dec. 3.—Vincent P. Whitsitt, connected with the Association of Life Insurance Presidents for more than 11 years and its general counsel for the last two years, has been elected assistant manager and general counsel to succeed C. G. Taylor, Jr., assistant manager and actuary for the past seven years, who has resigned to become a third vice-president of the Metropolitan Life.

Mr. Whitsitt is a native of Indiana and a graduate of De Pauw University. He was for some time with the Grain Dealers National Mutual Fire of Indianapolis, both at the home office and as special agent. He was in Columbia University law school when he entered military service in 1917. At the close of the war he returned to the law school, graduating in June, 1920, and was admitted to the New York bar. He joined the association in August of that year, being elected assistant secretary in 1922, attorney in 1927 and general counsel in 1929.

Premium Trends Mixed, Pacific Actuaries Report

UNDERWRITERS ATTEND MEET

Some Seek Low Cost Policies—Others, With Money, Buy More Valuable Forms

R. C. Burton of the New World Life was elected president of the Actuarial Club of the Pacific States at the first joint meeting of the Pacific Coast actuaries and home office underwriters in Sacramento. Marcus Gunn, California-Western States Life, is the new vice-president; O. A. Ehrenclou, Northern Life, secretary. H. H. Buckman, California-Western States, the retiring president, was added to the executive committee.

One of the features of the joint meeting was an underwriting clinic, at which actual applications were submitted in full detail, except for the name of the applicant. Many of the cases involved over-insurance.

There was much discussion of disability, widely divergent views being expressed, as might be expected.

Mr. Burton led the discussion on whether the trend of new business is toward high or low premium forms. Over a period of years, the tendency, it was agreed, has been towards lower premium policies, but at the present time the trend is mixed. A demand for term insurance among certain classes of people has been created because of lack of income and loss of principal. On the other hand there have been many with money to invest whose recent experiences have attracted them to life insurance.

An analysis of standard mortality tables covering more than 100 years experience of insured lives was presented by F. M. Hope, vice-president Occidental Life. Although the study showed marked and consistent improvement in mortality in all age groups, Mr. Hope commented on the fact that the rate of sickness has been increasing, which aggravates the disability problem.

L. J. Cooper, Pacific Mutual, presented a paper on the present status of various important income and premium tax cases and rulings. William Hollies, Occidental Life, discussed the handling of various types of income settlements under life or endowment policies.

It was decided that future semi-annual meetings of the Actuarial Club would cover a three-day period, the first day to be devoted to underwriting problems. Home office underwriters will be welcomed. F. M. Hope, L. W. Morgan and L. J. Schmoll were appointed a committee to take charge of the underwriting discussions at the 1932 meeting.

Thrift Promoter Puts Life Insurance First

MINNEAPOLIS, Dec. 3.—J. R. Ridgway, whose business for 20 years has been to sell thrift certificates to investors all over the country, holds no illusions as to what comes first in the thrift program of the average family.

"The first need of any person with dependents is life insurance in sufficient amounts to protect those dependents against loss of their bread winner," says Mr. Ridgway in a magazine article just published.

Mr. Ridgway is one of the chief executives of Investors Syndicate, a national organization which sells savings contracts to wage earners and salaried employees in nearly every state in the country.

Coyle In Contest Over A. I. U. Sale

Charges Transcontinental Trust
Company Squeezed
Him Out

LEGAL FIGHT MAY ENSUE

Trust Company Spokesman Says Coyle's
Failure to Make Instalment Pay-
ment Forced Issue

Alfred F. Coyle, executive vice-president of the American Insurance Union, Inc., has denied that control of that company has passed from his hands and he threatens legal action to "protect his interests."

A week ago, after a conference, President C. S. Younger of the A. I. U. and W. R. Baker, former Kansas insurance commissioner, issued a statement that 9,960 shares of A. I. U., under contract to sell to Coyle, had been disposed of to the Transcontinental Trust Company of Chicago. Mr. Baker was representing the American Conservation Company, which has no financial interest in the Transcontinental Trust Company, but which is, according to H. G. Shimp, president, interested in the management of the A. I. U. because the A. I. U. owes the American Conservation Company \$250,000 in commissions for transferring from the fraternal to the legal reserve basis.

Blanchard Is Attorney

C. E. Blanchard, Columbus attorney, represents the Transcontinental Trust Company in that city. The trust company was formed by interests identified with the Illinois Bankers Life.

Its investment committee consists of W. H. Woods, president Illinois Bankers; Hugh T. Martin, general counsel Illinois Bankers, and A. T. Sawyer, secretary Illinois Bankers.

After the Younger-Baker statement was issued, Coyle made his denial, in which he stated that the Transcontinental Trust Company was contending for his controlling interest. He said he had borrowed money from the Transcontinental Trust Company and had assigned his interests in the A. I. U. as collateral security to the loan.

Coyle said he has offered to repay that loan, but the trust company has refused to accept repayment, "in order to keep the control of the insurance company for itself." Mr. Shimp said that Coyle obtained from Mr. Martin the aid of the Transcontinental Trust Company in subscribing for the 9,960 shares. When the stock company was first organized by the A. I. U. interests, 10,000 shares were sold. An additional 10,000 shares were authorized and the original stockholders were given the privilege of buying one share of new stock for each one share of old. Only 40 additional shares were thus disposed of and Coyle undertook to buy the remaining 9,960, which would constitute working control.

Four Monthly Instalments

Coyle made the arrangement with the Transcontinental Trust Company, according to Mr. Shimp. Stock was to be paid for in four equal monthly instalments, Oct. 1, Nov. 1, Dec. 1 and Jan. 1. The Transcontinental Trust Company, according to Mr. Shimp, made the first payment of \$37,500 Oct. 1 with the understanding that Coyle would make the second payment and repay the Transcontinental Trust Company the amount of the first payment before the second payment came due.

(CONTINUED ON PAGE 12)

Storer Names Committees; Riehle Program Chairman

President Elbert Storer of the National Association of Life Underwriters has announced his committee appointments. Particularly interesting is the appointment of Theodor M. Riehle as chairman of the convention program. Mr. Riehle is third vice-president of the National association, and is associate manager of the John M. Riehle agency of the Equitable Life of New York in New York City. Mr. Riehle thus will have charge of the convention program at San Francisco next year.

O. Sam Cummings, state manager for the Kansas City Life in Dallas, is continuing as chairman of the organization structure committee, which is engaged in overhauling the mechanics of the National association and which was not ready at the annual meeting in Pittsburgh to make final recommendation.

C. W. Scovel of the Northwestern Mutual in Pittsburgh is chairman of the senior council, which is composed of the past presidents.

* * *

The committee appointments follow:

Special Exhibit—E. J. Sisley, chairman, Travelers, New York; Ralph Engelsman, Penn Mutual, New York; J. E. Bragg, New York University, New York; M. B. Oakes, Insurance Research & Review, Indianapolis; Roger B. Hull, National association, New York.

Institutional Advertising—J. S. Myrick, chairman, Mutual of N. Y., New York; Charles Axelton, Northwestern Mutual, Chicago; Gordon Campbell, Aetna, Little Rock; Paul F. Clark, John Hancock, Boston; O. Sam Cummings, Kansas City Life, Dallas; W. M. Duff, Equitable, Pittsburgh; G. D. Kederich, N. Y. Life, Brooklyn; Harold Pearce, Guardian, Cleveland; J. N. Russell, Pacific Mutual, Los Angeles; Ralph Engelsman, Penn Mutual, New York.

Budget and Finance—R. L. Jones, chairman, State Mutual, New York; E. B. Hamlin, National of Vermont, Cleveland; J. S. Myrick; A. E. Patterson, Penn Mutual, Chicago; Clancy Connell, Provident Mutual, New York.

* * *

International Council—Lawrence Priddy, chairman, New York Life, New York; J. W. Clegg, vice chairman, Penn Mutual, Philadelphia; G. C. Wells, Provident, New York; C. W. Scovel, Northwestern Mutual, Pittsburgh; E. J. Clark, John Hancock, Baltimore.

Educational—C. Vivian Anderson, chairman, Provident Mutual, Cincinnati; Lester Schriver, vice chairman, Aetna Life, Peoria, Ill.; Lara P. Good, Prudential, San Diego; Glenn S. Kies, Ohio National, Lansing, Mich.; R. G. Engelsman, A. M. Spalding, Equitable, New York; J. E. Bragg; Miss B. B. Macfarlane, Pan-American, New Orleans; E. J. Sisley; H. G. Kenagy, sales research bureau, Hartford; R. W. Moore, New England Mutual, Boston; Abner Thorp, Jr., Diamond Life Bulletins, Cincinnati.

* * *

Special Michigan Plan—Glenn S. Kies, chairman; H. G. Kenagy, Miss B. B. Macfarlane, A. M. Spalding, C. Vivian Anderson, Abner Thorp, Jr.

Convention Program—T. M. Riehle, chairman, Equitable, New York; Ben Sapro, vice-chairman, Penn Mutual, San Francisco; John W. Yates, Massachusetts Mutual, Detroit; Paul F. Clark, John Hancock, Boston.

Membership Committee—C. C. Thompson, chairman, Metropolitan, Seattle; C. Gilmor, vice-chairman, National of Vermont, Boston; T. M. Riehle; H. J. Johnson, Penn Mutual, Pittsburgh; V. E. Beamer, Equitable, Jacksonville, Fla.; C. Vivian Anderson; H. C. Van de Walker, American Life, Detroit; E. B. Thurman, New England Mutual, Chicago; S. L. Morton, Connecticut Mutual, St. Louis; H. L. Peebles, Aetna, Dallas; Frank B. Summers, New York Life, Omaha; A. S. Holman, Travelers, San Francisco; Dwight Mead, Pacific Mutual, Seattle.

* * *

By-Laws—O. Sam Cummings, chairman; E. J. McCormack, Columbian Mutual, Memphis; C. A. Rich, New York Life, Burlington, Vt.; Fred C. Dibble, Equitable Life, Akron, O.; F. W. Darling,

Bankers of Iowa, Cedar Rapids; James Whitmore, Guardian Life, Buffalo; Walter Stoessel, Connecticut Mutual, Springfield, Mass.; Rolla Wells, Northwestern National, Minneapolis.

Law and Legislation—H. J. Powell, chairman, Equitable Life, Louisville; C. Vivian Anderson, vice-chairman; C. C. Day, Pacific Mutual, Oklahoma City; E. S. Brashears, Union Central, Washington, D. C.; F. L. Morton, N. Y. Life, New York; J. S. Myrick; W. M. Furey, Berkshire Life, Pittsburgh; C. J. Sauter, Equitable of N. Y., Seattle.

* * *

Publication—George Kederich, chairman, N. Y. Life, Brooklyn; H. J. Johnson; Harry Kay, Metropolitan, Boston; L. G. Simon, Equitable, New York; G. D. Randolph, New England Mutual, Cincinnati; Herbert Hendricks, Equitable of Iowa, Decatur, Ill.; John McNamara, Jr., Guardian Life, New York; Louie G. Rude, Mutual Benefit, Newark.

Resolution—J. S. Edwards, chairman, Aetna, Denver; G. W. Ayars, vice-chairman; Reed Hake, Bankers Life, Kansas City; Ben Shapiro, Penn Mutual, San Francisco; H. W. Schroeder, Pacific Mutual, El Paso; Guy W. McLaughlin, Franklin Life, Houston.

Cooperation with Trust Officers—F. W. Ganse, chairman, John Hancock, Boston; Henry Abbott, vice-chairman, Massachusetts Mutual, Pittsburgh; Karl Brackett, John Hancock, San Francisco; G. C. Wells, Provident, New York; Flavel Wright, Northwestern Mutual, St. Louis; P. J. Crandall, American Life, Jackson, Mich.; Rushton Allen, Union Central, Philadelphia.

* * *

Relations with Lawyers—A. R. Allen, chairman; G. E. Lackey, vice-chairman; S. R. Fraher, Massachusetts Mutual, Columbus, O.; Lee Hemingway, Connecticut Mutual, Pittsburgh; E. B. Thurman; J. H. Wilson, Massachusetts Mutual, Peoria, Ill.; J. C. McNamara, Jr.; F. W. Ganse.

Cooperation with U. S. Chamber of Commerce—J. K. Voshell, chairman, Metropolitan, Baltimore; Fred C. Hathaway, vice-chairman, Mutual Life, Los Angeles; S. T. Whatley, Aetna, Chicago; A. L. Baldwin, Northwestern Mutual, Washington, D. C.; F. A. G. Merrill, State Mutual, Buffalo; E. F. Colborn, Connecticut Mutual, Rochester, N. Y.; W. L. Boyce, Equitable of N. W., Syracuse; L. E. Woods, Equitable of N. Y., Pittsburgh; W. H. Tennyson, Mutual Benefit, Indianapolis.

National Councillor to Chamber of Commerce—F. W. Ganse.

* * *

Organization Structure—O. Sam Cummings, chairman; G. E. Lackey, vice-chairman; S. T. Whatley; C. Vivian Anderson; J. K. Voshell; Earl H. Shaeffer, Fidelity Mutual, Harrisburg, Pa.; C. W. Scovel; L. G. Simon; Julian Myrick; C. O. Fischer, Massachusetts Mutual, St. Louis; A. C. Larson, Central Life, Madison, Wis.; Paul F. Clark; Joel T. Traylor, Midland Mutual, Indianapolis; G. W. Ayars; John W. Clegg, Penn Mutual, Philadelphia.

Drafting—G. E. Lackey, chairman; O. Sam Cummings, S. T. Whatley, C. Vivian Anderson, Earl H. Shaeffer.

John Spiegel, general agent Pacific Mutual Life, has moved his offices to the Chamber of Commerce building in Indianapolis.

Dunham Issues Call for Assets Schedule

NEW YORK, Dec. 3.—Commissioner Dunham of Connecticut has sent out instructions to all companies licensed in that state to file with his department a schedule of assets with values fixed as of Sept. 30 or Oct. 31. He asks that changes in securities since Jan. 1 be listed, showing the prices paid for these securities and their present market value. In all valuations the current figures must be used.

Other Companies Are Taking Action

**Muster Roll for and Against
Disability Income Is
Swelling**

STATE MUTUAL ATTITUDE

**More Light Is Shed on Tightened
Underwriting of Those Which
Continue Clause**

A number of companies this week announce discontinuance or restriction of the disability income clause. This makes over 50 companies so far as is known which have answered the disability question one way or the other.

The State Mutual is continuing its income clause for the present without any major changes either in rate or benefits, but is sharply restricting its underwriting. It now has put in force rules making all women ineligible for the disability income clause; issuing only to men, ages 18 to 50, inclusive; making all foreign-born applicants ineligible with a few exceptions.

Other New Rules

Underweight to age 35 with no history of tuberculosis must weigh at least 15 pounds above the minimum in the table of weights, according to height and age. Applicants age 30 or over with one case of tuberculosis in the direct family line but no contact within six months, must weigh at least within 10 pounds of average in weight table.

Occupations generally will be graded more strictly as to actual duties, with particular reference to the accident and health hazard involved. An interesting restriction is given as follows: "Steady employment with past record indicating regularity is a very essential requirement. Those changing occupation frequently and all seasonal workers should not be offered disability." The State Mutual will not participate where potential monthly income would exceed \$500 in all companies, including non-cancellable and commercial health insurance, regardless of amount of earned income.

Changes in Waiver

Something the same changes have been made in the waiver clause now in effect. All foreign-born are ineligible with few exceptions. The same regulations as on the income clause apply to waiver in regard to underweight and applicants with family history of tuberculosis. Reduced limits of risks by age, both on male and female lives, have been introduced. For men these are, on life and endowment plans, for waiver only provided no income disability is carried in the company: Ages 18-20, \$10,000; age 21, \$20,000; 22, \$25,000; 23, \$35,000; 24, \$45,000; 25 to 50, \$50,000, with no change in term plan.

Reduced limits of risk on women for life and endowment plans, waiver only, provided no income disability is carried in the company are: Ages 18-20, \$5,000; ages 21-29, \$10,000; ages 30-51, \$15,000.

Reliance Is Discontinuing

The Reliance Life, as of Jan. 1, is discontinuing the disability income clause. The secretary is authorized in a resolution of the finance committee if any special efforts are made by agents to write an undue volume of this clause before Jan. 1, to discontinue it immediately.

H. G. Scott, vice-president and secretary, states: "The experience of this company has been such as to make imperative the discontinuance of this feature.

(CONTINUED ON PAGE 12)



GOOD SHIPS: Only "stormy weather" really tests the safety of ships and financial institutions. Well-managed life insurance companies have come through every "storm"—every test—safe and staunch. For example, for 86 years, since it was founded in 1845, New York Life has weathered all Wars, Epidemics and Financial Crises:—The Mexican, Civil, Spanish-American, and World Wars;—The scourges of yellow fever, cholera and influenza;—The panics and depressions of 1857, 1861, 1865, of the 70's, of 1884, 1893, 1896, 1903, 1907, 1914, 1920-21 and 1929-1931. In all these years New York Life has never failed to meet an obligation.

NEW YORK LIFE INSURANCE COMPANY
51 Madison Avenue, Madison Square
New York, N. Y.

Central Jumbo Risk Bureau Scrutinizes Moral Hazard

ABLE TO DETECT LOADING-UP

Problem Would Not Be Acute Today if
Information Had Been Exchanged
from Start

NEW YORK, Dec. 3.—Moral hazard will be the chief concern of the new central bureau for the interchange of information on large risks, which is to be established as a result of the survey recently completed by the joint medicactuarial committee headed by Actuary J. D. Craig, Metropolitan Life.

There is no intention of minimizing the role of adequate medical information, but it is in the less thoroughly charted field of moral hazard that the need for additional inter-company cooperation is most imperative. Existing arrangements suffice to care for the medical side of the big risk problem, it is believed. Special examinations, electrocardiographs, blood sugar tests, and all the scientific paraphernalia developed to detect physical impairments that might go unnoticed in the ordinary medical examination will keep jumbo risk mortality down as far as the medical side is concerned if there is sufficient information available on the moral side.

Would Have Alleviated Problem

It is said on good authority that if such a bureau as is now planned had been in force from the time big lines first began to be popular there would be no such thing as a "jumbo risk problem" today. The bureau will act as a clearing house for information on large lines. This will enable member companies to proceed in their underwriting with a much clearer picture of their prospect, in many cases, than would be possibly if they were working independently. For example, a prospect or assured who is "loading up" would immediately be shown up and underwriters would be put on their guard. Control of the whole problem of speculation and over insurance will be much more simply handled.

As a result of the committee's survey, companies interested in the large risk problem now know more definitely "where they are at" than ever before. Thousands of cases were covered in the survey. The results should be a good indication of what is safe and what is unsafe in the rarefied atmosphere of large risk underwriting—a guide as to which of the rules applicable to ordinary-sized cases fail to hold good for the jumbo line.

Lacked Conviction

Much of what the survey showed has been firmly believed by many in the life insurance business ever since large risks began to be a problem. Lack of definite evidence covering a convincing number of cases, however, made the question a

debatable one. Like the "No Smoking" sign which was not heeded because it did not say "Positively," rules and regulations on large risks have often lacked the sureness of conviction to cause agents to accept declinations with the knowledge that only by following such principles could their company hope to keep its net costs down.

Many managers and agents are glad to see the coming of uniformity of practice in the underwriting of big lines. They are tired of seeing a case they have worked up go to another company because their own won't take it. "Agency pressure" is a familiar term in home offices but there are a good many general agents who would rather not have to exert it. They would prefer to know that their own company will take the case if it is a good risk and that if it is not, no company will take it.

Ex-Fraternals Taxed Only on Legal Reserve Business

MADISON, WIS., Dec. 3.—Former fraternals which have reorganized under the federal law permitting the carrying of two forms of insurance, certificates maturing under the old basis and insurance placed in force on a legal reserve basis since the federal law became effective, are not required to pay a Wisconsin license fee on the business they carry on the maturing certificates. Deputy Attorney General Wylie so holds in an opinion to Commissioner Mortensen, which supersedes a previous opinion to former Insurance Commissioner Freedy, holding that the license fee must be paid on the old business acquired when the association was a fraternal, as well as on the business acquired after the mutual status had been assumed.

The old opinion was based on the assumption that as the companies had abandoned their fraternal basis, the license fee must be imposed. The new opinion holds that as the insurance exempted in effect remains on a fraternal basis, the exemption as to fraternals applies.

Outlines Commissioners' Schedule

OKLAHOMA CITY, Dec. 2.—Just before leaving for New York to attend the meeting of the National Convention of Insurance Commissioners, Dec. 7-9, Secretary Jess G. Read announced that committee meetings would be held all through the first day. The second day will be reserved for reports of committees and the third day for discussion. All committees appointed at the Portland convention will be expected to give reports. Particular attention will be given to the report of the committee appointed to consider the question of examinations as a result of the address given at Portland by Commissioner Dunham of Connecticut.

En route, Commissioner Read will spend several days in Kansas City, Mo., and Columbus, O., on business.

Here is A CONSERVATION MAN for you

He has had extensive experience in the insurance field, and also in home office work. Ten years in the life insurance business.

He knows why men have lapsed their life insurance; why they are tempted to lapse more of it. He knows what appeals persuade men to keep their present policies in force, and to reinstate their protection as quickly as practical.

He knows because he has done it.

He is also experienced in sales promotion and other branches of agency work.

For further details regarding him, write

Box U-58, THE NATIONAL UNDERWRITER

Dorsey Interests in Vigorous Reply

Charge Missouri State Management With \$1,528,571 Lost Surplus in 1930

PROMISE SECOND SALVO

Nims-Taylor-Watts Coalition Blamed for \$1,400,000 in Failed Banks, \$549,450 Uncollectible

ST. LOUIS, Dec. 3.—The Dorsey-Fells, Missouri State Life stockholders protective committee in St. Louis, this week issued the following special bulletin to stockholders, which was in effect a reply to the Nims-Taylor letters just previously issued by the opposing faction in the fight for control:

"Let us just make a brief statement about a second appeal that has just been made to you by the Nims-Taylor-Watts management to irrevocably vest the management and control of your company for seven years in the hands of bankers, two of whom have no investment whatever in your company, and two of whom own together 110 shares according to the company's records on Nov. 12, 1931.

Charges Small Interest

"It is unnecessary to point out that these gentlemen have nothing in common with the large body of stockholders and without the common interest of financial investment there cannot be common interest in the welfare of the company. Mr. Nims admits that his stock interest in the company amounts to only 1,284 shares.

"We are surprised that the Nims-Taylor-Watts management is still seeking to induce you to tie your stock up for a period of seven years in the face of all of the consequences that may result to you as a stockholder from becoming a party to their voting trust, and when they know that this proposed voting trust is receiving unfavorable response from stockholders.

Say Few Shares Deposited

"The Nims-Taylor-Watts management is causing the transfer of stock sent to the voting trust depository to be made of such stock into the names of the proposed voting trustees, and from a check of the stock records we discover that not more than 13,000 shares of stock have been deposited under the voting trust; of which approximately 50 percent is stock of employees of the Missouri State Life. A number of stockholders who have agreed to the voting trust and sent their stock to the depository without full appreciation of the consequences to them have withdrawn from the trust and demanded the return of their stock. No doubt other stockholders will follow a similar course as they reflect upon what this voting trust really means to their interest as stockholders.

Ask Pointed Question

"Most significant part of Mr. Nims' letter is his admission that your company should have a new president. That is exactly what this committee started out to accomplish, and we are pleased to have Mr. Nims agree with us even to that extent—but Mr. Nims, Mr. Watts and Mr. Taylor have been dominating this company for several years. And the question naturally arises, why have they only so lately appreciated the need of having an outstanding insurance man as president of your company?

"Why have they waited for this com-

mittee to force this issue to the front? We think this belated stand upon their part, as well as their attack upon M. J. Dorsey and several insurance companies in which he is interested, is a manifest effort to evade the real issues which this committee has raised against the Nims-Taylor-Watts management. We shall not be turned aside by any flank attack upon Mr. Dorsey from our announced purpose to present to you facts which seem to us to require a change in the management of you and your company.

Also Need New Board

"In admitting the necessity for a new president, Mr. Nims does not go far enough. The company needs not only an outstanding insurance man for president but it needs a board of directors that will really represent the substantial stock interests of the company. Both these results, this committee pledges you it will bring about, if it is, as it confidently believes it will be, entrusted with the proxies of the majority of the stockholders.

"Mr. Taylor has been president of the company since early in 1928. During the same time, Mr. Nims and Mr. Watts have been dominating directors of the company. What has been the result of the Nims-Taylor-Watts domination of the affairs of your company? You will realize we cannot, in the time at our disposal go into all phases of their management. We shall bring to you, in this and subsequent bulletins, as fully as possible, the facts.

Statement of "Facts"

"Let us take the year 1930 and see how the company fared financially under the 'banker' influence. On Jan. 1, 1930, the company had a capital and surplus of \$7,245,132. On July 7, 1930, the company sold for cash, 100,000 shares of capital stock at par, thereby adding to the capital and surplus as of the beginning of the year \$1,000,000, and increasing that capital and surplus to \$8,245,132.

"On Dec. 31, 1930, the company had a capital and surplus of \$6,616,561, showing a loss of surplus of \$1,528,571 for the year.

"We cannot go into the details of the items of this loss, but of this large loss, one of the principal items is to be found in the deposits which your company had in closed banks at the close of the year 1930. At this time, the company had on deposit in closed banks, a total of approximately \$1,400,000, of which sum approximately \$800,000 was in the bank of Tennessee, which was generally known as a Caldwell bank.

Large Sum Uncollectible

"Of this total sum, the present management in its annual statement has estimated that \$549,450 is uncollectible, and this sum has been deducted from the surplus of your company. Of the balance of the money deposited in closed banks, approximately \$400,000 is secured by collateral and may be recovered, and the balance is represented by lawsuits, and if the efforts to realize on such collateral and the lawsuits are unsuccessful, then a very large additional sum must be deducted from the surplus of your company.

During Caldwell Regime

"Mr. Nims, Mr. Taylor and Mr. Watts were continued on the board of directors of your company by the Caldwell stock interests. They were dominating directors of your company when the above events occurred. Do you want to continue a management of which they are the leading members? Mr. Watts is an experienced banker and while it is not to be expected that his banking experience would aid greatly in directing the insurance affairs of your company, it would be expected that his banking experience would enable him to select safe banks for the deposit of the company's funds.

"Has the banker on your board of directors protected the deposits of your company? With such a result in the banking end of your company's busi-

A Few Questions

»»

If you were an agent and the company you represented failed to advertise in the leading and most important weekly insurance newspaper, wouldn't you wonder why?

Wouldn't you notice, too, that practically all of the rest of the representative, successful and important companies were advertising?

Wouldn't this, in time, have an adverse effect on you?

Wouldn't you think it strange that your company had nothing to say, no favorable comment to make, no arguments to present in its own behalf?

Wouldn't you conclude, finally, that there is nothing for anyone to say for a company that has nothing to say for itself?

Wouldn't this, in the end, influence you to give up such a company and to commence representing one more alert, more progressive and more self-assertive?

Isn't it natural for any agent to think the most of the companies that have the most to say for themselves?

(Number 11 of a series devoted to the merits of National Underwriter advertising)

»»

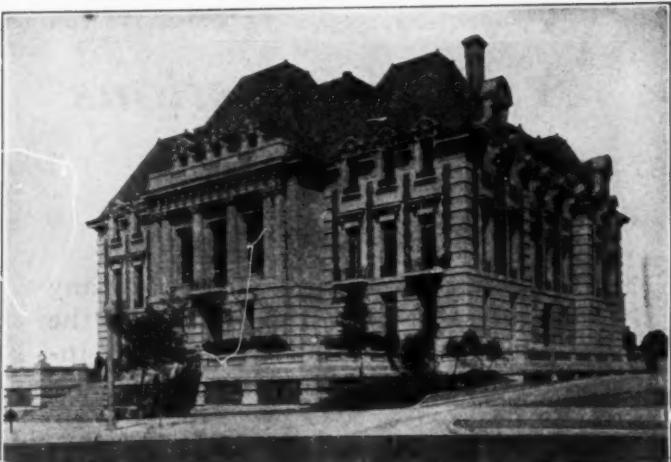
The National Underwriter

The leading weekly insurance newspaper

E. J. WOHLGEMUTH
President



C. M. CARTWRIGHT
Managing Editor



Home Office Building

A Complete Life Insurance Service for a Modern Age



We Offer

- Policies all ages, 1 day to 70 years.
- Both Participating and Non-Participating.
- Non-Medical—Sub-standard.
- Disability, Dismemberment and Surgical Benefits.
- Special Monthly Premium Payment Plan.
- Double Indemnity.
- Children's Policies with Beneficiary Insurance.
- NEW FAMILY INCOME PROTECTION POLICY.
- Sales Planning and Circularizing Department.
- Producers' Club.

Available territory in seventeen states West of the Mississippi River and in Illinois and Florida.

WRITE DIRECT TO HOME OFFICE



Central States Life Insurance Company

James A. McVoy, President

HOME OFFICE: SAINT LOUIS

ness, can you be satisfied to continue the present management in control of all branches of your company's business?

"P. S. Since the above letter was prepared, the letter dated Nov. 30, 1931, signed by Hillsman Taylor, has been received. Don't be misled by this letter as this committee has complete information to answer it in detail, and will do so in a few days.

"A brief but complete answer, however, which can be made to Mr. Taylor's letter is the fact that after about four years of his administration, followed by a vigorous campaign in the last 30 days for the voting trust proposed by the Nims-Taylor-Watts management, only about 15,000 shares of stock have been deposited in the trust. This amount is about 3 percent of the outstanding stock. There could be no more conclusive showing of the opinion which the stockholders of the company have of the Nims-Taylor-Watts administration."

Indiana Test Case as to Assessment Societies Up

INDIANAPOLIS, Dec. 3.—The test case of the state against the National Colored Aid Society is being tried here this week. This society is organized under the not-for-profit act of 1889. The state contends that it is conducting an insurance business and should be organized under the 1897 mutual assessment law, which would bring it under the supervision of the insurance department. As now operated, assessments are levied on the death of a member. No reserves are required and no obligation lies against the society to pay claims in full if sufficient funds are not collected. There are about 35 of these societies operating along the same line.

Rockford Group Plans for Extensive Mail Operations

ROCKFORD, ILL., Dec. 3.—As a result of their difficulties with the Wisconsin insurance department, several assessment associations of that state will be taken over by the Great Northern Estate Corporation of Rockford, which plans to use the mails for handling the business now transacted by these associations in Wisconsin.

Negotiations for merging these interests have not been completed and no announcement of the identity of the associations in question or the future plans of the group can be made at this time, according to F. W. Williams, president of the local company, which is a mutual benefit association, organized several years ago under the Illinois statutes and claiming membership in all parts of the United States and Canada. L. C. Carr is secretary-treasurer.

According to Mr. Williams, the corporation's counsel assures it that interstate commerce regulations permit it to conduct its business with customers in any state in the Union through the mails.

Atlas Life Wins Against Former Agency Supervisor

The \$100,000 damage suit brought by T. F. Foster, former agency supervisor, against the Atlas Life of Tulsa on the theory that his contract with the company had been improperly terminated has been decided by the Oklahoma supreme court, which holds for the Atlas Life.

Foster alleged that his contract was partly oral and partly in writing. Under the written agreement, he was to receive a salary of \$300 per month; a first year's bonus of \$1 per thousand on the business paid for by agents contracted by Foster and a renewal commission of 2½ percent for nine years on that business.

Foster said it was orally agreed that he would work permanently for the Atlas, surrendering the valuable contract he had with the Volunteer State Life. In 1926, Foster set up, the Atlas breached and canceled the contract and discharged him.

The supreme court held that a contract of employment which does not by its terms fix any period of duration between the parties and its duration is indefinite, may be terminated by either party at any time. It is not the duty of one man to work for another unless he has agreed to, and if he has so agreed but for no fixed period, either may end the contract whenever he chooses. It is a general rule that parol evidence cannot be permitted to supply an omission of any essential element of the contract.

Jefferson Standard Sets Record

Astonishingly good results were secured by agents of the Jefferson Standard Life in the special month's work ending Nov. 25, in honor of President Julian Price, who was 64 years old Nov. 25.

The closing day harvest of \$2,111,025 was a record for the company while the campaign total of \$9,195,333 was high in the annual campaigns in honor of Mr. Price. It was 26 percent over the 1930 results.

Of the business written in the 30 days, 35 percent was on old policyholders. In 30.5 percent of the business, settlement was made with application. Twelve branch offices recorded production by every full-time agent. Greensboro led the branch offices with \$1,017,130, with Charlotte, Columbia, New Orleans and Roanoke next in line.

Policy Loan Demand Drops

OKLAHOMA CITY, Dec. 3.—Requests for loans on policies have decreased materially within the last two or three months, according to Edwin Starkey, vice-president and agency manager of the Mid-Continent Life. In addition, policyholders are beginning to pay off their loans and indications are more optimistic than they have been for some time. Business volume for October and November is averaging about 20 percent better than the same two months of 1930, he estimated.

Not Entitled to Disability

PITTSBURGH, Dec. 3.—A person who tries to commit suicide while sane can not recover disability income for injuries received in the attempt, according to the Pennsylvania supreme court. B. D. Elwood, a Pittsburgh lawyer, attempted suicide but failed to kill himself. He claimed that he was entitled to the disability benefit because of the uncontested provision of the policy. The court held that the fact that he was sane eliminated chances of recovery and the uncontested clause had no application to the case.

Criticize Cuban Legislation

Companies operating in Latin America are interested in proposed Cuban legislation for the regulation of foreign insurers. If the law were enacted, companies operating in Cuba would be required to invest 60 percent of the reserves in Cuban securities. Physical deposit of all the reserves in Cuba would be required. The powers extended to the insurance commissioner, who would be appointed, are very broad. He would be able, according to those who have studied the proposed legislation, to dictate terms of agency contracts with individual agents.

There appears to be opposition to the legislation on the part of foreign companies, who feel that with economic conditions as they are and the value of Cuban government securities dropping, the requirement that 60 percent of the reserves be invested in Cuban securities would be undesirable. Furthermore the cost of handling securities if physically deposited in Cuba would be a hardship, the companies believe.

AS SEEN FROM NEW YORK

NEW YORK NOVEMBER FIGURES

The C. B. Knight agency of the Union Central Life, with \$2,446,743, ranked first among New York agencies in November paid-for business. Following are some agency figures, the amount immediately below the November amount being that for the year to date:

	1931	1930
C. B. Knight	\$ 2,447,000	\$ 2,362,000
Union Central	30,593,000	30,957,000
J. S. Myrick	2,351,000	3,047,500
Mutual, N. Y.	33,067,000	39,959,000
R. H. Keffler	2,180,000	3,053,000
Aetna Life	23,491,000	32,991,000
Andrew Kakoyannis	2,120,000	1,080,000
Prudential	18,906,000	12,339,000
J. M. Fraser	1,712,000	2,020,000
Conn. Mutual	16,333,000	21,550,000
Johnson & Higgins	1,666,500	2,297,000
Prudent'l & Home	24,788,000	21,984,000
J. E. Hall	1,568,000	1,121,000
Penn Mutual	19,505,000	26,220,000
C. E. DeLong	1,472,000	2,625,000
Mutual Benefit	21,184,000	28,419,000
Keane-Patterson	1,437,500	1,344,000
Mass. Mutual	17,087,000	16,133,000
P. R. Garrison	1,207,000	1,523,000
Prudential	20,137,000	21,841,000
J. A. McNulty	876,000	439,000
Prudential	12,225,000	7,156,000

FEATURES INVESTMENT POLICY

The Equitable Life of New York has inaugurated a campaign featuring its guaranteed investment policy, which because of the general demand for security of principal and income is believed to be very timely just now. The policy was introduced several years ago and is a combination of ordinary life and a small amount of survivorship annuity issued under one cover. On the death of the assured the beneficiary, ordinarily

the wife, receives the company's current interest rate on the face of the policy, plus an additional 2 percent of the face of the policy from the annuity element. At her death the proceeds are payable to the children or other heirs.

This makes a guaranteed income during the primary beneficiary's lifetime of 5 percent, and at the present interest rate a total income of 6.75 percent, which is reduced to 6.65 percent if the income is made payable quarterly instead of annually.

* * *

RIEHL STARTS ON JAUNT

T. M. Riehle, third vice-president National Association of Life Underwriters and associate agency manager of the Equitable Life of New York, will leave Dec. 10 to address life underwriters associations in a number of cities in the middle west and south.

* * *

TO TALK ON HOOVER

President Hoover will be the subject of a radio talk Dec. 8 by Frazier Hunt, who is broadcasting the New York Life's weekly series of "Great Personalities."

* * *

HOWELL C. L. U. SPEAKER

Valentine Howell, associate actuary of the Prudential, will address the next meeting of the New York C. L. U. chapter Dec. 8. Mr. Howell will speak on underwriting from the home office standpoint, particularly on jumbo risks.

Settle Two International Suits; Wilson Gets \$30,000

ST. LOUIS, Dec. 3.—Federal Judge Davis has allowed Massey Wilson a partial fee of \$30,000 for his three years work as coreceiver for the International Life. Superintendent Thompson is the other receiver.

Judge Davis also signed compromise decrees in settlement of two suits filed by Wilson as receiver for the International Company of St. Louis, holding concern for the life company, against Roy C. Toombs and two eastern banks from which Toombs obtained loans while head of the insurance company. Under the decrees the Central Union Trust Company of New York will surrender to the receiver 75,000 shares of preferred stock of the holding company and receive a new certificate for 44,957 shares, while the Baltimore Trust Company obtains a certificate for 71,773 shares in exchange for 117,000 shares of preferred stock. The stock was put up as collateral on loans made by Toombs.

Mutual Life Apportionment for Dividends Is Reduced

NEW YORK, Dec. 3.—The Mutual Life of New York has set aside approximately \$41,800,000 for payment of dividends in 1932. This is about \$4,000,000 less than was apportioned for this purpose last year, or a reduction of a little less than 9 percent. No announcement has been made as to average percentage decrease in dividends, which will of course depend on a number of factors beside the decrease in the total amount set aside for dividend payments. The company will maintain its present interest rate on funds left on optional settlements at 4.8 percent.

St. Paul C. L. U. Class Elects

Harlan M. Walker of the Travelers has been elected president of the St. Paul C. L. U. study class. O. G. Blommer, State Mutual, is secretary. John A. Blom of the Provident Life is in charge of the work of the St. Paul class.

Slogan and Theme for Life Insurance Day Are Picked

"Give more thought to the life insurance you now own," is to be the slogan of life insurance day, Jan. 21, 1932, in connection with National Thrift Week, which begins with Benjamin Franklin's birthday, Jan. 17. "Life insurance is the country's most effective leverage for prying loose 'fear-frozen' assets and thereby releasing surplus funds for timely spending," is the theme. Albert G. Borden, second vice-president Equitable Life of New York, is chairman of the national life insurance day committee, which is composed of 30 prominent life insurance men in the United States and Canada. Supporting the event are the Life Agency Officers Association, Canadian Life Insurance Officers Association, and the National Association of Life Underwriters.

The slogan was selected as the result of a request for suggestions by Mr. Borden from members of the life group of the Insurance Advertising Conference.

Set 1932 Meeting Dates

The joint annual meeting of the Association of Life Agency Officers and the Life Insurance Sales Research Bureau in 1932 will be held at the Edgewater Beach Hotel, Chicago, Nov. 1-3. The group luncheons, which were inaugurated this year, will be continued as will the division of the meeting for one-half day into particular agency department problems. There will be three half-day general sessions and three half-day group sessions.

The plan of having home office underwriters, actuaries and general executives bring to the meeting information on important developments in the business will also be continued.

Federal Union Report

The Ohio department report on the Federal Union Life of Cincinnati, as of Dec. 31, 1930, has been made public. Surplus was \$22,028; capital \$250,000; assets \$3,975,877. President Frank M. Peters says that now the company has a surplus of about \$100,000.

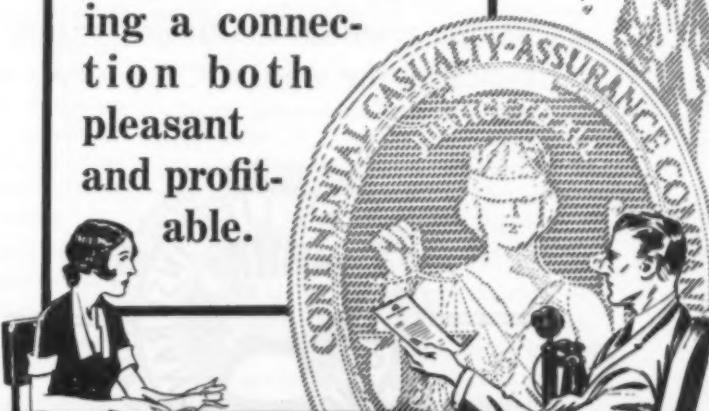
ACCIDENT & HEALTH

Insurance facilities for

INSURANCE SALESMEN

Inquiries are invited from agencies and salesmen who are interested in writing Disability insurance, either in connection with Life insurance programs or independently.

We provide every essential for making a connection both pleasant and profitable.



WRITE NOW

for complete details

Address Agency Department,
Accident & Health Division

CONTINENTAL
CASUALTY COMPANY
CHICAGO ILLINOIS

FORMAL OPENING

of the

Union States Life Insurance Co.

celebrated with fitting ceremonies
at its home offices

November 25, 1931

—revealed the fact that this new Western company made its official bow with a total of more than

FIVE MILLION DOLLARS

Insurance Applied For
Accompanied by Required Premium Payments

IT IS MODESTLY BELIEVED that this remarkable showing sets a world's record for life companies. It is indicative of the ambition of this new contender for early nation-wide recognition. . . . New business is now coming in at the rate of Ten Million Dollars a year, assuring high premium income. . . . It is the sincere conviction of its leaders that each succeeding anniversary will witness growth—steady, sound and satisfying—truly typical of the west.



**UNION STATES
LIFE INSURANCE COMPANY**

CAPITAL UNDERWRITERS CORPORATION, Owners

WAYNE E. HIBBARD, President

FRANCIS F. McGINNIS, Vice-Pres.

TERMINAL SALES BUILDING

J. B. KRUTZA, Asst. Sec.

PORTLAND, OREGON

Nims-Taylor Use Heavy Artillery

(CONTINUED FROM PAGE 3)

Meanwhile the Dorsey faction, which is supported by Theobald Fels of Cincinnati, a large stockholder and director of the Missouri State Life, has stated to the A. M. Best Company that the Dorsey interests have now obtained 254,000 proxies, which would constitute control of the Missouri State.

Mr. Dorsey, from his headquarters in the Biltmore hotel in New York, which he has maintained for several months, has been negotiating for the creation of a new holding company, which would take over the Missouri State stock now in the portfolio of the Inter-Southern and the Inter-Southern and Northern States stock now in the portfolio of the Security Life.

Mr. Dorsey's associates say that the necessary financing arrangements have been nearly completed.

Discounts Dorsey Claims

The Nims faction discounts the claims of the Dorsey-Fels group as to the number of shares under control. The Nims-Taylor faction has not given out any figures as to the number of shares now included under the voting trust plan, except that Mr. Nims, in his letter mentions that employees owning 50,000 shares have subscribed to the agreement.

Representatives of the Nims faction were to meet with Dorsey men this week. Mr. Nims and Paul Davis were the representatives of one faction; Harry S. Tressel, vice-president Security Life, and Ernest Woodward, an attorney, represented Dorsey.

Letter from Nims

The letter from Mr. Nims to stockholders follows:

"I am having so many inquiries in regard to my letter of November 7 to the stockholders I find it difficult to answer all of them separately. I do not intend to make or answer any personal attacks.

"One of the questions most frequently asked is why it is necessary to have a voting trust. At the time of the failure of Caldwell & Co. in November, 1930, which company, previous to that time, had management control, the directors felt it was necessary to have someone representing them in an official position with the company. They asked me to serve. This I consented to do with the distinct understanding it was only temporary, for I had recently retired from active business and under no consideration would I accept any permanent position of active responsibility. This fact was clearly understood, not only by the directors then in charge, but also by the directors elected at the annual meeting in January, 1931. I do not believe the statement that was put out claiming that Mr. Taylor and I were trying to control the company was made in good faith for the further reason that I advised the directors Mr. Taylor had offered to resign as president if the majority of the directors felt it was to the best interest of the company.

Agreement on Presidency

"At the directors' meeting, after the annual election in January, 1931, the matter was discussed and it was unanimously decided that for the coming year at least Mr. Taylor should remain as president. The directors representing the present opposition concurred in this decision. I pointed out at that time that even if it were desirable to make a change in the management, we would be unable to secure the kind of man that this company should have as its head until he could be assured by the controlling interest of the stock that his position would be permanent and that he would be allowed to run the company purely for the best interests of the stockholders and policyholders.

"The trouble the company was then having was caused by a large minority interest having used the company for their personal interest. It was for that reason I insisted that the stockholders having the majority interest, although scattered, should have a proportionate voice in determining the management of the company and how it should be conducted. I proposed at that time a voting trust in which proportionate representation should be given to the former

Caldwell stock holdings, control of which, through the Inter-Southern and Security Life Insurance Companies, was in the hands of the Keystone Holding Company of Hammond, Ind. I have been trying for the past year to come to some agreement whereby the stockholders representing a majority of the stock in your company should have a voice in the management of its affairs. We have been unwilling to allow the interest representing the Keystone Holding Company to have a dominant position in this company, not for personal reasons, but because we were not in sympathy with their methods.

Keystone Holding Company

"The Keystone Holding Company owns the controlling interest of the Security Life. According to published reports, \$2,841,500 of the assets of the Security Life was used to purchase a controlling interest in the Inter-Southern Life. Caldwell & Co. sold to the Inter-Southern Life Company 29 1/2 percent of the stock of the Missouri State Life and Caldwell & Co., who owned the Inter-Southern at that time, took out of its assets securities to cover this purchase so that as a result, by an investment of \$2,841,500 of the assets of the Security Life, the Keystone interests are seeking to control the Missouri State Life with assets of \$160,000,000 and insurance in force of about \$1,200,000,000.

"While this transaction may be technically legal, at least some of the directors of your company do not believe in this method of pyramiding. I do not believe it is to the interest of your company or to the interest of the insurance business to turn our company over to people who believe in these methods. Furthermore, the insurance companies they now control are having trouble and have been refused a license to do business in some of the states, and hearings are pending in other states.

Reason for Voting Trust

"The reason why we suggested the voting trust was not for the purpose of having your stock tied up for seven years in the interest of anyone or any faction. While we believe a majority of the stockholders would be willing to give their proxies to the men who were selected to represent you, as they are of such high standing that their integrity could not be questioned, the trouble would be, however, this would have to occur each year. I do not believe we could secure or retain any high class insurance man, such as we should have to head this company, until he was assured where the control would lie.

"Personally, I believe this company and any other insurance company should be run by a high class insurance man and that the management should be independent of any faction, no matter how large or small their interests may be. The voting trustees are committed to this policy.

Employees Support Plan

"The principal officers of your company and the field force who have built it believe in this policy. The employees of the company holding over 50,000 shares, while they do not desire to take part in any factional dispute, are wholeheartedly in favor of the above policy. In many instances they have a large part of their savings and their life work invested in this company. Believing that the plan outlined is to the best interest of the company and therefore to their best interest, they have wholeheartedly endorsed the plan and have deposited their stock in the voting trust.

"The question of the expense of the voting trust and power given to the trustees under it has been raised by the opposition as a reason why you should not deposit your stock. As I said in my former letter, the cost will be nominal. I am assured that the cost of establishing the trust will not exceed 25 cents per share and will probably be less. Subsequent administration costs will be negligible. These expenses are insignificant compared with the advantages to be obtained. I simply want to assure you that the voting trust is only proposed to care for your interest and that of the company. Whenever it has served its purpose, the trustees will dissolve the trust, as they have a right to do, and your stock will be returned to you. In the meantime, the voting trust certificates represent your interest in the company just as well as the certificates you now hold.

"While the voting trustees may hold a large amount of stock in their own names, they represent a large amount of stock, and in the case of Mr. Paul Davis, he not only represents a

large holding in the Missouri State Life, but represents an interest in the Inter-Southern Life second only to the interest held by the Keystone Holding Company.

"The voting trustees were selected as representative men and because they had no selfish interest to serve. They are men who believe life insurance is a sacred trust and should not be exploited by anyone, no matter how large a stock interest he may have. Personally, I only own 1,284 shares of your company's stock. However, largely through my influence, the employees of another company with which I am connected are paying out of their salaries for nearly \$25,000,000 of life insurance with this company. I am intensely interested in seeing that everything should be done that is possible to protect them and all other policyholders.

Expenses of Opposition

"The opposition have established offices and are spending a lot of money sending out men to solicit your proxies, these men being paid on the basis of the number of shares for which they can secure proxies and they have been furnished arguments and are making statements which they may believe but which you will find, upon investigation, are not true, as was the statement that Mr. Taylor and I were trying to control the company.

"I have no money to conduct an extensive campaign. All I can do is to put the facts before you as I see them and you as a stockholder must decide what is to your best interest. I can realize how confusing this may be getting statements and representations from both sides. However, it will be an easy matter for you to satisfy yourself if you will investigate through the insurance department of your own state, your banker or other sources open to you.

"You are being urged to give your proxy to the opposition. This we urge you not to do before you make a thorough investigation, uninfluenced. This is not the usual contest between two factions for control of a company—there is a principle involved in which you are vitally interested. The only effective solution is the voting trust maintained until satisfactory control and administration are established."

Letter from Taylor

The letter from Mr. Taylor to stockholders follows:

"I am not and will not be an applicant for reelection as president of the Missouri State Life at the annual meeting in January, 1932. I had reached this conclusion some months ago and communicated it to members of the board but withheld its announcement to avoid any uncertainty in the company's administration. The safety and protection of this company and the stockholders as a whole is at stake in the present contest for control. There is but one issue. It is a fight between right and wrong. There is no other issue.

"During the six years I have been connected with this company its development has been, in round figures, as follows: 1926, assets \$60,000,000; insurance in force, \$587,000,000; 1931 assets, \$160,000,000; insurance in force, \$1,200,000,000.

Dividend History

There has been paid to stockholders in cash dividends \$2,280,000, while in the 22 years previously only \$1,441,200 was paid. In these six years stockholders' dividends have been \$800,000 more than in all the prior history of the company. The company has an able staff of trained and experienced executives. It has a loyal and efficient home office organization. It has an experienced, loyal, enthusiastic agency force. My personal relationship with these people has been very close and my association with them very dear to me. My decision not to seek election comes without suggestion from anyone and is dictated by my desire that this institution, its stockholders, officers, agents and employees shall not suffer by any fight directed at me and in order that the real and great issue may not be confused.

"I have served this company as faithfully as I knew how for six years and being now in a position to speak wholly without self-interest, I feel it my duty to tell you the facts, so that you may make your decision intelligently and for the best interests of your company.

"About a year and a half ago, Caldwell & Co. sold 29 1/2 percent of the stock of this company to the Inter-Southern Life, a company with about \$24,000,000 of assets, which they controlled. Shortly after Caldwell & Co. collapsed the Key-

stone Holding Company of Hammond purchased from its receivers and creditors 47 percent of the stock of the Inter-Southern. The Keystone Holding Company is a Delaware corporation controlled by Machir J. Dorsey of Hammond and his associates.

"The Keystone Holding Company owned 75 percent of the stock of the Security Life, having about \$11,000,000 of assets. Keystone sold the Inter-Southern stock, for which it paid \$1.50 a share, to the Security for \$1.94 a share, a spread of nearly \$650,000, and the Security, to make this purchase, had to sell income-producing bonds and mortgages at a loss. The Inter-Southern Life stock, on the other hand, was not income-producing and had not paid a dividend since 1925. Keystone also sold to Security the controlling stock of the Northern States Life of Hammond, Ind., a company with about \$8,000,000 of assets. The Security Life has been barred from Missouri since these transactions, because the superintendent of insurance believed it to be impaired. Michigan likewise undertook to bar the Security because it was 'not entitled to public confidence' and this action is being litigated. The Security was excluded or voluntarily retired from other states. These are facts of public record and common knowledge.

"The obvious aim of all this pyramid-ing was to reach your great company with its \$160,000,000 of assets. The obvious intention was and is to sell the Security Life stock to this company at a price sufficient to pay off Keystone's

indebtedness and make its owners a profit.

"You would then have had your company owning Security, which owned Inter-Southern, which owned 30 percent of Missouri State—an interlocking, confusing, unsound and intolerable situation.

"Your management is opposing and has opposed this program ever since it became apparent. It is wrong. There is nothing in the record of Mr. Dorsey and his associates or in their past experience to justify turning over to their control all of these assets.

"Mr. Felas is not an issue in this fight. The literature being sent out in his name goes from the Dorsey headquarters at the Jefferson Hotel in St. Louis, while Mr. Felas is at his home in Cincinnati. Clearly the Dorsey interests controlling 29 1/2 percent of the stock are the important factor in and will dominate the activities of the so-called 'protective committee' masquerading in the name of Mr. Felas with less than 5 percent of the stock.

"Mr. Felas was very anxious to get up a voting trust and signed an original trust agreement now on file here. He is 77 years of age, and it is stated in the papers that he has been promised the office of chairman of the board of this company.

"You are asked to line up with one of two groups in this contest. Compare them:

"The voting trustees:
"E. D. Nims, chairman of the board of the Southwestern Bell Telephone Com-

pany. Mr. Nims has been a director of your company since April, 1925.

"Frank O. Watts, chairman of the board, First National Bank in St. Louis, the largest financial institution in St. Louis. Mr. Watts has been on your board since November, 1925.

"James R. Leavell, president Continental Illinois Bank & Trust Company of Chicago, the largest financial institution west of New York.

"Frank K. Houston, first vice-president Chemical Bank & Trust Company, New York.

"Paul M. Davis, president American National Bank, Nashville, Tenn.; chairman of the board, Tennessee Central Railroad.

"Or M. J. Dorsey and associates.

"Which shall it be?
"If this were an ordinary contest between stockholders for control, the officers, agents and employees would not take sides. They know that it is not. Their experience in the life insurance world and their acquaintance with the people involved enables them to judge the merits of this issue. They own, collectively, over 50,000 shares of stock. They have their life work and their life savings invested here. They have sought and obtained the services of these outstanding voting trustees without personal compensation. They are unitedly and enthusiastically back of Mr. Nims. They, through me, are saying to you that the best interests of the company will be served by your cooperating with Mr. Nims. They can only be successful in their fight to protect policyholders and

Responsibility



A THREE-FOLD responsibility always exists for an active insurance company.

First, and foremost, is its responsibility to every policyholder—the safety and security of the money he invests, efficiency and thrift in management to obtain his insurance at the most reasonable cost and modern policies which will enable him to completely satisfy his needs.

A second responsibility is that to the agency force—able and aggressive leadership and direction, promotional helps and advertising, educational advantages and constantly high morale.

The third is to the general public,

to help men and women plan their life insurance estates and bring to them the realization of what life insurance can accomplish.

In the present unusual economic situation, each of these responsibilities becomes more pronounced. They must be met by judgment born of experience, courage and an intelligent, aggressive approach.

Central Life fully recognizes these responsibilities, and is aided in meeting them by a broad background of thirty-six years' experience, high ideals, and leadership which has vision and initiative.

Central Life Assurance Society

(MUTUAL)

T. C. DENNY, President

DES MOINES

IOWA

all stockholders alike and save this institution if they have the cooperation of the other stockholders.

"I am not an issue. I have put the issue squarely before you. The fight is between right and wrong. You have been furnished the voting trust plan and should join it promptly, if you have not already done so."

Coyle In Contest Over A. I. U. Sale

(CONTINUED FROM PAGE 5)

Coyle, according to Mr. Shimp, did not make the second payment and inasmuch as there was no grace period under the instalment agreement, the Transcontinental Trust Company made payment of \$37,200. Mr. Shimp said on Nov. 6 Coyle offered to repay the Transcontinental Trust Co. the first and second instalments, but because of certain complications, tender was refused. The Transcontinental Trust Company then entered in negotiations which resulted in it paying the remainder of the instalments on the 9,960 shares and taking possession. Mr. Shimp said that the Transcontinental Trust Company was not interested in getting control of the American Insurance Union, but that the issue was forced, and the wisest course seemed to be to take the stock inasmuch as the trust company had already become involved.

Buyers, it is known, are already in negotiation with Mr. Martin and the Transcontinental Trust Company to take over the 9,960 shares and assume control.

Mr. Coyle went to Chicago last week after announcement that the American Insurance Union, Inc., had been sold to the Transcontinental Trust Company, in an attempt to arrive at a settlement with Mr. Martin. He said that he has engaged Newton D. Baker of Cleveland and Fred Rector of Columbus as attorneys.

Coyle said that between the time he

arranged for the first payment on the 9,960 shares and when the Transcontinental Trust Company came forward and took possession of the entire block, the board of directors of the A. I. U. had voted to let Coyle pay for the remainder of the stock in a lump sum within six months.

Reason for Insurance

The important reason for authorizing the second 10,000 shares was to give the A. I. U., Inc., enough capital and surplus to meet the requirements of certain states in which the old A. I. U. had been operating. Therefore, he said, the board authorized the entire block to be taken up at one time, he said, because the requirements for admission to other states would not have been reached until the final instalment had been paid if the instalment agreement had been enforced. Accordingly, he said, it was not necessary to make the second payment Nov. 1.

Coyle said that the 9,960 shares were originally issued to him and assigned to the Transcontinental Trust Company as collateral for the loan. A week ago, when the Transcontinental Trust Company assumed control, Coyle said that those 9,960 shares were canceled and new shares were issued to the Transcontinental Trust Company directly. He said that to protect the A. I. U. in this move, Judge C. S. Younger, president of the A. I. U., was bonded for \$50,000. Coyle charges that the procedure was irregular and he indicated that legal action, which he says he is contemplating, may turn about this point.

Fraternal Takes Action

At a meeting Saturday of the board of the old A. I. U., which is a fraternal, Coyle said that it was voted to abrogate the agreement between the A. I. U. and the A. I. U., Inc., unless the 9,960 shares, which were issued directly to the Transcontinental Trust Company be canceled and those shares reissued to Coyle. Coyle claims that he controls

the fraternal board. He said at the meeting Saturday Judge Younger was discharged as counsel for the fraternal.

Coyle vehemently denies that there were any complications, which should have induced the Transcontinental Trust Company to refuse repayment on Nov. 6. He has photostatic copies of two checks totaling approximately \$75,000 on the Ohio National Bank of Columbus in Chicago exchange, which he offered in repayment. Coyle said he raised the money with the help of "friends."

Three persons, said to be favorable to Coyle, were elected to the board of the A. I. U., Inc., at a meeting Monday afternoon. They are H. T. Wolfe, national auditor of the fraternal; C. L. Jordon, assistant secretary, and D. J. Heck, superintendent of printing. They take the places vacated by the deaths of J. J. Lentz and C. C. Hollenbeck and the retirement of J. D. Karns. With their election, control of the A. I. U. Inc. is claimed by Coyle. The report was put out after the election of these directors that Coyle has come to an agreement with the Transcontinental Trust Company. This report was not confirmed.

Commissioners May Act

The A. I. U. situation is very likely to come up before the National Convention of Insurance Commissioners in New York next week. Theodore Tangerman, state director of commerce; Superintendent Warner, Actuary W. A. Robinson, Judge Younger and Attorney W. G. Gearhart of the A. I. U. will attend the commissioners' meeting.

Oklahoma is reported to be very much interested in the situation, inasmuch as the A. I. U. Inc., took over a number of assessment companies in that state.

Coyle and other members of the board of the American Insurance Union, Inc., conferred Tuesday with Superintendent Warner. Later Mr. Coyle said that the fraternal interests in the company, which he represents, are now fully pro-

tected. He declared that steps would be taken if necessary to prevent the fraternal organization from being "exploited."

It is said that strong pressure will be brought to retain Younger as president because of his acquaintanceship with insurance commissioners throughout the country.

C. E. Blanchard, said Tuesday that the A. I. U. stock is in his name as attorney for the Transcontinental and that the Transcontinental will take legal means to protect it. He denied that Coyle had entered into arrangement with the Transcontinental to regain the stock.

Other Companies Are Taking Action

(CONTINUED FROM PAGE 5)

ture. In all fairness to our policyholders, we cannot include in life insurance policies any form of coverage for which a proper rate cannot be determined.

"Any compromise, such as reducing the income to \$5 per \$1,000 of insurance with a longer waiting period, higher rates and more severe limitations as to eligibility is not correcting a condition but merely compromising with the uncertainties of this problem. The action taken by the finance committee does not affect the waiver of premium disability clause which will be continued, and for the present without change."

The Illinois Bankers Life of Monmouth, Ill., announces that it will discontinue the income disability benefit known to its agents as disability "A" on Dec. 1, but will continue waiver of premium, which is listed as disability "B," at the same rates and under the same conditions as heretofore.

The Wisconsin Life will discontinue the income disability benefit Dec. 31, but waiver of premium will be continued.

The Massachusetts Mutual has made no definite decision as to disability but the present income clause probably will

THE WESTERN AND SOUTHERN ANNOUNCES

the lowest guaranteed premium rates ever offered the public by a United States insurance company. These reduced rates cannot be increased throughout the entire life of the policy.

Splendid agency opportunities are afforded by this expanding company to men of character and ambition. 52 weeks' employment every year. Offices in new territory now being opened.

STOCKS FALL
ON THE SLIGHTEST
PROVOCATION BUT: YOUR STOCK GOES ON YOU BUT



be continued after Jan. 1 until such time as the officers decide on final action.

The Gulf States Life of Dallas announces that so far as is now known no change is contemplated in the present disability setup.

Pan-American Action

The Pan-American Life of New Orleans announces that it is going on a modified disability income basis effective Dec. 15. The new clause provides for \$10 per month per \$1,000 of insurance, with maximum liability under this feature of \$750 for each \$1,000 of insurance. There is a six months' exclusion period, first payment to assured being made at the end of the seventh month.

Amount of monthly income disability coverage, counting that carried in the Pan-American and other companies in no case is to exceed 50 percent of applicant's average earned monthly income over the three preceding years. Income disability will not be issued on sub-standard lives and only to those engaged in occupations which are not hazardous. Disability will not be written in connection with five or ten year term, nor will it be issued to women.

Continues Waiver Clause

The company is continuing waiver of premium on both sexes. Its rules in regard to men are: Not issued to applicants over 50; issued on total amount of insurance not over \$75,000 in Pan-American or \$100,000 in all companies; disability must occur before age 60; waiting period six months, no increase in rates; and for women: Not issued to applicants over 45 and only to unmarried women; disability must occur before 55, waiting period six months and no rate increase.

The income disability will not be issued to applicants under 20 or over 50; not issued on policies of less than \$2,000 or over \$12,500; not issued where total disability coverage carried in other companies, together with amounts applied for in the Pan-American, exceeds \$250

monthly income. Disability must occur before age 60; waiting period is six months. There will be no rate increase.

The Inter-Southern of Louisville, effective Dec. 1, adopted new disability income rules. On all applications mailed after that date, disability income will not be written on male lives over 50 nor female lives over 45, and will be issued only to single, self-supporting women with provision of cancellation upon marriage; not on farmers, except under most favorable circumstances and then at only one and a half times regular rates; not on laborers or unskilled workers of all classifications. Disability income will not be written in connection with non-medical applications.

Vice-president M. W. Heitzberg announces to the agency force: "Our company at this time being unwilling to abandon the writing of disability benefits and while continuing the study of our own and other companies' experience, has decided to modify certain of our rules and regulations covering the issuance of total and permanent disability life income benefits. Questions in the application referring to amount and other details relative to benefits already in force must be carefully and completely answered. If not so answered it will necessitate these questions being covered by a special amendment to the application to be signed by the applicant. Our agents are requested not to make a special drive for disability income business."

He explains that the changes do not apply to waiver of premium benefits.

Quitting on Ordinary

The Baltimore Life, effective Nov. 30, has discontinued writing income disability on ordinary policies. Waiver of premium is being continued, however, without change.

The American Life of Denver is scheduled to make some changes in its disability clause and rates Jan. 1.

The National Fidelity Life ceased writing disability Nov. 1. It has, how-

ever, liberalized waiver of premium to include waiver of gross life premium on all policy forms, both adult and juvenile, in event of total and permanent disability, where heretofore it waived only the reduced premium. Age limit has been cut from 60 to 55 without increase in rate.

The Ministers Casualty Union of Minneapolis announces it does not contemplate withdrawal of the disability income benefit on its life policies. This company has had about 30 years' experience in the disability field. Its disability income clause calls for \$10 per \$1,000 per month, payments beginning with 12th month of disability and guaranteed during duration of disability within maturity limit of contract.

Home Life's Announcement

The Home Life of New York has announced that it will continue to write disability income under a revised contract, effective Dec. 1. The new contract is being issued at the same rates as the old, the principal changes being an increase in waiting period from four to six months and a period of six months instead of 12 for dating back income payments in case of delayed submission of a claim.

The disability income will not be granted to applicants under age 21 nor over 50. While waiver of premium will be granted to women not over 45 years of age, the income benefit will not be issued on female lives.

The Oregon Mutual has not formulated a definite disability policy except in general to make the decision to continue writing disability income on a restricted basis as to benefits and underwriting, and also to increase the rate scale.

The Illinois Life this week notified its agency force it will discontinue the income clause Jan. 1, but will continue waiver. The latter clause will be written with a six months' waiting period and at increased rates.

Waiver will be granted to women ap-

plicants by the Illinois Life, but only to single, self-supporting women engaged in satisfactory occupations, and the benefit will cease at age 55, or at marriage.

Going Over to Life Field

Most Baltimore and Washington Companies Are Getting Away from Sick and Accident Insurance

BALTIMORE, Dec. 3.—This city was the home of many companies that originally wrote sick and accident insurance. So was Washington, D. C. A number of societies, fraternal or assessment, still operate from these centers. Maryland, New Jersey, District of Columbia and Pennsylvania are popular industrial insurance fields. Many of the older companies sought colored business. Baltimore companies, such as the Mutual Life, Baltimore Life, Sun Life, the old Eureka Life, and Home Friendly started as sick and accident companies. Most of them have abandoned their original line. The Home Friendly which two years ago had one-third of its income from life, now finds the two classes evenly divided with continuously strong pressure being directed on the life.

As a matter of fact, the companies here and at Washington are getting away from accident and health as fast as possible and centering their attention on life. The Continental Life of Washington and the Peoples Life of that city, both old stalwarts in health and accident, are letting that department fade out. The old timers here have gone over entirely to life, writing both industrial and ordinary. Baltimore has 10 small companies, hardly known outside of the city, that devote themselves largely to industrial writings.

The Monarch Accident and Monarch Life have opened a claim office in Des Moines with G. H. Muse as manager.

New Low Annual Rates for \$1,000

Ages	Premium	Ages	Premium	Ages	Premium
10	10.67	26	15.10	41	24.25
11	10.85	27	15.50	42	25.17
12	11.05	28	15.92	43	26.17
13	11.25	29	16.37	44	27.22
14	11.46	30	16.84	45	28.33
15	11.69	31	17.35	46	29.51
16	11.93	32	17.89	47	30.80
17	12.17	33	18.46	48	32.16
18	12.44	34	19.06	49	33.60
19	12.71	35	19.70	50	35.15
20	13.00	36	20.36	51	36.84
21	13.31	37	21.04	52	38.57
22	13.63	38	21.78	53	40.41
23	13.98	39	22.55	54	42.38
24	14.34	40	23.37	55	44.47
25	14.71				

THE WESTERN AND SOUTHERN LIFE INSURANCE COMPANY

CHARLES F. WILLIAMS, President

Cincinnati



THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

Published every Friday by THE NATIONAL UNDERWRITER COMPANY, Chicago, Cincinnati and New York. EDWARD J. WOHLGEMUTH, President; JOHN F. WOHLGEMUTH, Secretary; HOWARD J. BURRIDGE, Vice-President and General Manager;

NORA VINCENT PAUL, Vice-President; WILLIAM A. SCANLON, GEORGE C. ROEDING and O. E. SCHWARTZ, Associate Managers

C. M. CARTWRIGHT, Managing Editor
LEVERING CARTWRIGHT, Asst. Managing Editor
FRANK A. POST, Associate Editor
CHARLES D. SPENCER, Associate Editor
DALE R. SCHILLING, Associate Editor

PUBLICATION OFFICE, A1946 Insurance Exchange, CHICAGO, Telephone Wabash 2704
CINCINNATI OFFICE, 420 E. Fourth St., Telephone Main 5781, RALPH E. RICHMAN, Manager
ABNER THORP, JR., Director Life Insurance Service Dept.

NEW YORK OFFICE
803-123 William St., Tel. Beekman 3-3958
GEORGE A. WATSON, Associate Editor

DETROIT OFFICE
1015 Transportation Bldg., Tel. Randolph 3994
J. A. PETERS, Resident Manager

SOUTHEASTERN OFFICE—ATLANTA, GA.
204 Atlanta National Bank Building
W. J. BATH, Resident Manager

NEW ENGLAND OFFICE
139 Summer St., Weymouth, Mass., Tel. Wey. 2158-R.
J. M. DEMPSEY, Resident Manager

Entered as Second-class Matter June 9, 1900, at Post Office at Chicago, Ill., Under Act, March 3, 1879

SAN FRANCISCO OFFICE
105 Montgomery Street, Tel. Kearny 3054
FRANK W. BLAND, Resident Manager
CYRUS K. DREW, Pacific Coast Editor

DES MOINES OFFICE
716 Fleming Bldg., Tel. 4-8712
R. E. HEATH, Resident Manager

PHILADELPHIA OFFICE
412 Land Title Bldg., Tel. Rittenhouse 3654
W. J. SMYTH, Resident Manager

DALLAS OFFICE
905 Southwestern Life Bldg., Tel. 2-6065
R. J. McGEHEAN, Resident Manager

Subscription Price \$3.00 a year; in Canada, \$5.50 a year. Single Copies 15 cents.
In Combination with The National Underwriter Fire and Casualty, \$5.50 a year; Canada \$10.50

PERSONAL SIDE OF BUSINESS

H. G. Mitchell, advertising manager Jefferson Standard Life, has one of the leading roles in "The Streets of New York," a revival of a melodrama of pre-Civil War days, which is to be presented in Greensboro by amateur players. The proceeds will go to charity.

A house warming was held at Newark, N. J., in celebration of **W. S. Vogel**'s appointment as general agent for the Atlantic Life. A. O. Swink, president of the Atlantic, made a special trip to Newark to participate in the festivities. Another visitor was Ralph R. Lounsbury, president of the Bankers National Life.

Alex J. Groesbeck, president of the Michigan Life of Detroit, who has long been interested in the welfare of the children of the state and has taken an active part in charitable work for many years, has been elected treasurer of the company formed to build the proposed children's tuberculosis sanatorium near West Branch, Mich.

The stork visited the home of **George W. Killebrew, Jr.** at Asheville, N. C. the other day, leaving twin girls. There were already one girl and three boys in the family, so things have been evened up. Mr. Killebrew is general agent at Asheville for the Atlantic Life.

Arthur E. Snyder, 56, prominent fraternalist and grand secretary of the Royal Arcanum for the past six years, died in a Waterloo, Ia., hospital following an operation for abscess of the lung.

Warren Woody, manager of one of the outstanding producing units of the A. M. Embry agency of the Equitable Life of New York in Kansas City, who made football history in his own time at Kansas University, gave a series of pre-game dope talks over the Kansas City radio station WHB this season, which formed one of the sports entertainment features of the broadcasting station. Mr. Woody was a football star on the K. U. team of 1918.

Under the leadership of **E. P. Tice** of Tice & Jeffers, general agents Midland Mutual Life, the community chest campaign in Columbus, O., went about \$20,000 beyond its goal. **Fritz Lichtenberg**, general agent Massachusetts Mutual, will be in charge of the campaign next year. Mr. Lichtenberg, who is secretary of the Life Underwriters Association of Ohio, has long been active in philanthropic enterprises.

William E. Talbot, superintendent of agencies of the Southland Life of Dallas, has been elected by mail vote of the directors as vice-president at large of Progressive Texans, Inc. One of Mr. Talbot's duties will be to give a series of addresses throughout Texas in behalf of the objectives of Progressive Texans. Mr. Talbot is an active man in Texas. He is managing director of the Southwest Industrial Development Bureau. In the last election he was a candidate for governor on the Republican ticket.

Theobald Felss, the Missouri State Life stockholder, who is putting up such a strenuous effort to gain control of the Missouri State for the M. J. Dorsey interests, suffered a collapse last week in Cincinnati while at church. He was carried out and is now confined to his home. Mr. Felss is 75 years of age.

Agency managers of the Equitable of New York in Chicago gave a dinner Tuesday night to **William Rothaermel**, superintendent of agencies, central department, on the second anniversary of his assuming charge. He is now starting his third year in the post. It was an elaborate affair, the high points of which were an \$1,600 tablecloth, gold service and entertainment. K. M. Sacks, agency

manager, was in charge of arrangements. P. B. Hobbs, agency manager, was toastmaster. Mr. Rothaermel has endeared himself to the entire central department during his two years for his fine spirit of helpfulness and efficiency blended with good nature.

A. H. Averill, Oregon commissioner, has been reappointed by Mayor Baker of Portland to serve another five-year term on the commission of public docks. It is permissible to hold down both of these jobs, because of the fact that the dock commission is only a "thank you" job. Mr. Averill has already served 15 years on the commission.

Over 100 friends of **L. L. Adams**, who recently has been appointed superintendent of agencies of the Ohio National Life, for the central division, with Kansas City, Mo., headquarters, attended a dinner given in his honor last week. Although just beginning to work out an agency organization, Mr. Adams and his men already have produced approximately \$250,000 new business and office quarters in Kansas City are being doubled.

Manager **C. A. Davis** of the West Virginia branch of the Business Men's Assurance, has been sponsoring for the past season a semi-pro football team known as the B. M. A. Bulldogs. Suits are marked with B. M. A. and the team has secured the company and Manager Davis's organization considerable publicity.

W. T. Grant, president Business Men's Assurance, celebrated his 53rd birthday last Monday by doing little but receiving flowers and congratulations at his office. One of the girls baked him a cake and there was a luncheon for him at noon.

F. T. Heffelfinger, a director of the Northwestern National Life, has been appointed relief commissioner for Minnesota by Governor Olson. He heads a committee to direct and administer unemployment relief.

William P. Kenny, who has just been elected president of the Great Northern Railway, is a director of the Minnesota Mutual Life.

Recently **E. Lee Own**, an agent for the Continental Life of St. Louis, was drawn for jury service. Between the hearing of cases he wrote a fellow juror for \$5,000 to keep a record of turning in at least an "app" a week.

Getting Back to First Insurance Principles

NEW YORK, Dec. 3.—Life men in the field are gradually adapting themselves to the new order in selling life insurance in so far as the disability clause is concerned. The ones most affected are those representing companies returning to simple waiver of premium. The agents had over emphasized the disability feature in many instances to the detriment of life insurance itself. Many are woefully disappointed in having to give up this provision. It proved a potent selling argument. The public had been convinced of its desirability. The massed sales pressure had educated people to taking this coverage.

The tendency in later years, according to a well informed executive, has been to throw life insurance itself in the background and bring to the center of the stage some of its accompaniments such as disability, double indemnity, dividends, policy loans, net cost, etc. This has served to divert the buyer from the substance and the real function of life insurance. It will require a little time for the selling forces to reeducate themselves and become enthused on the fundamentals.

Member Audit Bureau of Circulations

New Measuring Rod Is Needed

OUT of the welter of present day conditions we are learning some valuable lessons. This should be the case. Take one feature for example and that is the method that is employed to gauge the progress of a salesman, general agency, or company. We have used volume of business as our yard stick. Because of this we have based our calculations on false conceptions. The new business produced has been the basis employed in our comparisons.

For instance, we desired to know how a man, an office or company was progressing. Immediately we asked for production figures. We studied little else. A company that was not writing as much business one year as the preceding, or if it did not show a material gain in new insurance, was handicapped by odious comparisons. Its own agents' confidence in it was shaken and competitors used the returns against it. Hence, a company frequently resorted to hot house methods of stimulation. Forced growth was resorted to. This meant applying the lash to the supervising men and they in turn used high pressure

methods on the salesmen. The agents, feeling that volume was the supreme end, employed dubious sales tricks. People were oversold. Rebates were given. Speculative, inexpensive policies were issued. Selling unwisely at the source means waste and a sorry experience. Abnormal pressure means a heavier expense, a decrease in profits, higher mortality and weakening of the producing forces.

Why not get out a new measuring rod? What can be suggested? Some companies are relying more on increase of insurance in force but even that may not be indicative of true advancement. When production is unduly stimulated and volume is called for, large numbers of cheaper policies are sold. This, on the face, furnishes satisfactory returns, but it is not sufficiently substantial for that purpose.

One eminent field leader suggests premium income and assets that an increase in that item is the goal to be played for. Volume would be put far in the rear. Premium income would be starred. What say you?

Taking Over Under-Average Companies

WHEN one counts up the results of companies reinsured or bought where their business was not up to standard it is very doubtful whether there has been a transaction of this sort that has proved satisfactory. There is value in absorbing or taking a company whose business is high grade. When business has been paid for beyond what it is worth, when the underwriting has been loose, when concessions of various kinds have been granted agents, when on the whole the company has not had good management its business certainly is very speculative.

We have been interested from time to time in reviewing the records of companies of this kind taken over, either through the reinsurance route or by purchase of stock. The company doing

the absorbing inherits considerable grief. Business that has not been put on the books in a reasonable way does not mix with good business. It will not stick and often the selection is against the company. The claim ratio is very likely to be high. There is a big temptation to write business on the wholesale plan in this way by taking over a company. Those who are tempted to buy business of this kind should have a care as to its quality. Partly decayed fruit soon affects the very choicest in the barrel.

"If procrastination is the thief of time, idleness is a receiver of stolen goods."

BUSINESS is just like sleep—the harder the day's work, the easier it comes.



Trade Mark Reg. U. S. Pat. Off.

ENTHUSIASM

Spirit and enthusiasm, the greatest assets in the world, have helped build The National Life and Accident.

That spirit which distinguished this organization is noticeable not only in the Home Office but also in the 3,000 Shield Men located throughout the country. There is no doubt about the present spirit of the National Life & Accident family. It was never finer.

It's this spirit which helps Shield Men to success. It pays to be a Shield Man.

The NATIONAL LIFE AND
ACCIDENT INSURANCE
COMPANY INC.
NASHVILLE TENNESSEE
Tune in WSM

Entering Its 40th Year

Prompt, efficient, result-getting service to representatives and policyholders explains the phenomenal growth of the Missouri State Life Insurance Company. Now entering its 40th year, the Company has become a nationwide institution, ranking among the leading Old Line, Legal Reserve Life Companies of America. For the live, aggressive Agent, the multiple line of Life, Accident & Health, Group and Salary Savings offered by this Company is a sure winner—it provides a contract to fit every life insurance need. Progressive Agents like the progressive methods of the Missouri State Life.

A Good Company to Represent



MISSOURI STATE LIFE
INSURANCE COMPANY
HILLSMAN TAYLOR, President
ST. LOUIS
Life - Accident - Health - Group - Salary Savings

In Any Emergency

In a normal business lifetime every man meets at least three periods of emergency, variously described as economic convulsions, business depressions, or panics. Whatever the cause, these emergency periods apparently occur once in about eight years, causing the premature *economic* death of many persons. Depressions come with the appalling certainty of the one great emergency which prudent men have long met through life insurance. Sound business demands that emergencies be met through a fund that is at once safe, immediately available, and low in cost. Meeting emergencies is but one of the functions which Mutual Benefit policy contracts daily perform.

The Mutual Benefit Life Insurance Co. Newark, N. J.

..modern life insurance since 1845..

CONTACT WITH OLD POLICYHOLDERS BRINGS MAMMOTH NEW BUSINESS

- One of our Field Club members, who has made an outstanding record year after year since his connection with this Company, wrote 29.96% of his 1930 new business on the lives of old policyholders—to say nothing of the other new business to which they directed him. By following a similar plan this year, his objective for 1931 is \$1,000,000 of paid new business.
- He is enjoying the unusual plan of renewal compensation in American Central contracts which makes service for, and contact with, old policyholders highly remunerative.
- This contract is offered to those who are interested in personal production. The American Central recruits its organizers from the ranks of the salesmen who have been successful in its service.

Territories now under intensive development include
Illinois, Indiana, Kansas, Michigan,
Missouri, Ohio, Texas



American Central Life Insurance Co. Established 1899

Herbert M. Woollen, President

"Guaranteed Benefits" — "Guaranteed Low Cost"

Indianapolis

LIFE AGENCY CHANGES

Blackman Succeeds Father

Veteran Mutual Life Manager at Scranton, Pa., Quits Under Retirement Plan

NEW YORK, Dec. 3.—J. H. Blackman, manager of the Mutual Life of New York at Scranton, Pa., will quit Dec. 31 under the Mutual's retirement plan and will be succeeded by his son, J. H. Blackman, Jr. Mr. Blackman joined the company in 1897 as agent in Philadelphia and was for many years a successful personal producer. In 1905 he was made manager in Scranton.

His son joined in 1912 at Scranton and in 1921 was made district manager. He has been a member of the Mutual's field club for nine years and has been on the honor roll more than 40 times.

Great-West Quebec Changes

The Great-West Life of Winnipeg, which recently revamped its Ontario agency organization, has established three branch offices in Quebec province. One for the city of Montreal will be under the management of C. F. Hohlschein, formerly with the Montreal office of the Travelers and more recently its Buffalo manager. A second Montreal office, for the surrounding territory, will be managed by Paul Gerard, and a Quebec city office by Paul Daoust. Both have been with the Great-West Life for many years.

J. T. Moore

J. T. Moore, Columbus, has been appointed manager of the Kalamazoo office of the Western & Southern Life, succeeding E. B. Creelman, who was transferred to Cincinnati.

T. S. Pointer

Thomas S. Pointer has been appointed agency manager for the Colorado agency of the California-Western States Life succeeding W. D. Sanborn. His offices are in the Patterson building at Denver.

W. S. Beden

W. S. Beden has been appointed district manager at Lansing, Mich., for the

H. Wibirt Spence agency of the Mutual Life of New York at Grand Rapids. Mr. Beden has been with the Spence agency for 14 years and for eight years has qualified for the Mutual Life field club convention. He has been post adjutant and post commander of the American Legion at Lansing.

Northwestern Finance Corporation

The Eureka-Maryland Assurance has appointed the Northwestern Finance Corporation, recently organized, as general agent for Detroit and adjacent territory. Maj. L. F. Koon, U. S. A., retired, is president and treasurer, and W. O. Campbell, vice-president and secretary.

Life Agency Notes

John F. O'Leary, agent for the Prudential in Hartford, Conn., has been appointed assistant superintendent.

Fred M. Shelly has been appointed district agent for the St. Louis Mutual Life at Wichita, Kan., with jurisdiction over nine counties.

Donald E. Shafer, a graduate of Ohio State University, has been appointed agency manager in Bowling Green, Ohio, for the American Central Life.

W. Ray Gunn, recently manager of the brokerage department of the Dominion Life's Detroit office, has been appointed manager of its Ottawa, Ont., branch.

W. H. Wright has become general agent for the Central Life of Des Moines in northwestern Iowa with headquarters at LeMars. He has seven counties in his district.

R. D. Wells has been appointed agency assistant for the New England Mutual Life at Cleveland. He has been supervisor for the Mutual Life of New York for several years.

R. L. Chilton has been appointed field supervisor of Unit 3 of the home office agency of the Pacific Mutual Life. He has been with the Van Winkle agency of the Equitable Life of New York in Los Angeles since 1925.

D. C. Johnson, a graduate of Iowa State College and a member of the Iowa bar, who for six years has been in the investment business, has been appointed special agent in Des Moines for the New England Mutual Life.

MANAGERS' ASSOCIATION NEWS

Supervisors Are Organized

New Association Is Formed in Detroit
with Bryson Loughridge, Mutual
Life, as President

DETROIT, Dec. 3.—The Detroit Life Insurance Supervisors Association was formed at a gathering of a group of assistants to life managers and general agents in the Detroit area at a luncheon initiated by Bryson Loughridge, educational director of the Ballou general agency of the Mutual Life of New York. Twenty-one men were present at the luncheon, and all agreed to become charter members.

Similar associations now exist in but two cities, Chicago and Pittsburgh, so far as the supervisors at the luncheon were aware, and both associations are said to have filled a long-felt need in insurance circles in those cities.

Mr. Loughridge, who took the initiative in getting the supervisors together, was elected president and C. C. Chamberlain, assistant manager Travelers, secretary. Mr. Loughridge came to the Mutual Life in Detroit three years ago after having spent three years as home office inspector covering Michigan, Ontario and parts of Ohio and Indiana. Prior to that he was with another company in Chicago. Mr. Chamberlain has

been with the Travelers for six years. President Loughridge will appoint committees on finance, membership and attendance at the next meeting, Dec. 7.

Los Angeles Managers Meet

At last week's meeting of the Life Managers Club of Los Angeles, Samuel Lewis, advertising agent, presented a plan for a cooperative radio advertising campaign over the NBC Pacific Coast network—San Francisco, Los Angeles, Portland, Seattle, Spokane, San Diego and Phoenix. Action was deferred until the next meeting.

R. M. Sample, manager of the extension division of the Better Business Bureau of Los Angeles, described the work of that organization and mentioned a number of twisting cases in which the bureau had been instrumental in protecting policyholders. He was assured by President McCurdy of the hearty cooperation of the club.

Four Legislatures in Session

NEW YORK, Dec. 3.—Special sessions of the legislatures of Illinois, Pennsylvania, Tennessee and Wisconsin are now being held. All are considering means for raising additional revenue, and for affording relief to the unemployed.

IN THE SOUTH AND SOUTHWEST

United Mutual Must Pay Tax

Alabama Attorney-General Rules 2 Percent Must Be Paid on Knights of Pythias Business

MONTGOMERY, ALA., Dec. 3.—The United Mutual Life of Washington, D. C., is liable for the gross premium tax of 2 percent due by foreign mutual legal reserve life companies on Alabama business, and is not exempted from paying the tax on business that it secured from the Knights of Pythias. This was held by Attorney-General T. E. Knight, Jr., late last week in a far-reaching opinion rendered Superintendent C. C. Greer.

In a companion opinion the attorney-general also held that a fraternal organization, which writes life insurance on an adequate rate basis, must pay the premium tax of 1 percent required by Section 8503 of the Code of 1923. The attorney-general held that the state may go back five years in the collection of these taxes, none of which heretofore have been paid. This opinion also was rendered specifically with reference to the Knights of Pythias. The ruling affects an immense volume of fraternal insurance in this state, on which Mr. Greer will insist that the tax be paid. Among the fraternals that will be affected are the Woodmen of the World, the Praetorians and the Maccabees.

As a result of both opinions, Mr. Greer estimates that the state treasury will receive approximately \$90,000 and that it will cost the Knights of Pythias and the United Mutual Life between \$10,000 and \$15,000 for the past year.

Issues New House Organ

The "Standard Bearer" is the new monthly publication of the National Standard Life of Houston, Tex., which is filled with live news, sales hints and gossip of the organization. It is edited by Robert Broussard, II, vice-president and agency director, assisted by Steve Noble, agency supervisor; Ed McCormick, secretary, and Jack Rudd, actuary.

Agent's Contract Binding

The Oklahoma supreme court has held that the right of an agent to commissions on renewal premiums is determined by the terms of his contract of employment, and except to the extent that his contract, either expressly or impliedly, provides therefor, an agent is not entitled to commissions on renewal premiums paid after a termination of his agency. The case was Wagner et al. vs. Land. R. L. Wagner was a sub-agent and J. G. Land is a manager for the Prudential. The commissions in

"Weights and Measures" for Agents' Production

Carlton E. Stevens, superintendent of agencies of the Standard Life of Jackson, Miss., has worked out a very clever computation of agents' business. It is titled "Weights and Measures" and of course the company name, Standard, precedes it, making a very familiar phrase.

Under the heading of weights is the ton. A ton, according to the plan of Mr. Stevens, is \$1,000 of examined business. A mile under the title of measures equals \$1,000 of delivered.

The Ton-a-Week Club equals one or more applications and examinations received at the home office each week. The Mile-a-Week Club calls for one or more policies delivered each week.

T. B. Harrison leads the Ton-a-Week Club with 27 weeks, and J. L. Reeves the Mile-a-Week with 14 weeks. Both are members of the home office agency.

contests accrued after the termination of the contract.

Garner Succeeds Col. Yancey

Geston Garner has been appointed deputy commissioner at Rome, Ga., succeeding Col. Hamilton Yancey, who died recently. Mr. Garner was associated with Colonel Yancey in the insurance business. He will be in charge of liquidation of the State Mutual Life of Rome, the affairs of which have been administered by Colonel Yancey since the liquidation was ordered.

Derr Addresses Lions

Legal reserve life insurance offers the advantages of having the value of par at all times and of being always in demand as sound collateral, A. G. Derr declared in an address recently before the Jacksonville, Fla., Lions club. Mr. Derr is general agent of the Aetna Life at Jacksonville.

Accident-Health Field News

Smith Is National Treasurer

Appointment Virtually Completes Official Roster of Accident & Health Managers Association—Activities Reviewed

The appointment of Percy D. Smith of the Aetna Life in Chicago, president last year of the Chicago club, as treasurer of the National Association of Accident & Health Managers has just been announced by President L. D. Edson of the national association. This completes the official roster of the national association with the exception of a regional vice-president for the Great Lakes states, where a vacancy was created by the resignation of R. M. MacKinnon on his removal from Detroit to Chicago. The appointment of Fred G. Burgoyne of the Union Indemnity, New York, as national secretary was announced recently.

The regional vice-presidents are: Middle Atlantic states, Armand Sommer, Southern Surety and Home Indemnity, New York; New England states, H. B. Fowler, Columbian National Life, Boston; Pacific states, W. D. Mead, Pacific Mutual Life, Seattle; south central states, C. B. Adams, Business Men's Assurance, Nashville, Tenn.; southwestern states, Bert L. Jones, Maryland Casualty, San Francisco; western states, H. H. Strayer, Central Surety, Kansas City, Mo.

Organization Work Progressing

Excellent progress in organization work over the country is reported in a very newsy bulletin just issued by President Edson and sent out to all of the local accident and health managers clubs, reviewing the activities of both the national and local associations. It is stated that meetings are to be held soon in Des Moines, St. Louis and Cincinnati looking toward the organization of local clubs, which will be affiliated with the national association. The Philadelphia association is to vote shortly on affiliation with the national organization, with a favorable vote expected. The Boston association is being reorganized for greater activity, and plans are under way for the organization of local clubs in other New England cities. Much activity is reported among other clubs which already have taken a leading part in building up the national association.

President Edson is requesting the local clubs to send in suggestions for topics to be included in the program for the next national convention. He states



The Things You Must Be Sure of—

The integrity of your company, its initiative, its helpfulness.

You can persuade a client to invest money only in something you think is safe; you can face him confidently if your company has initiative to adopt new ideas and helps you to apply them because you know you have proper, modern equipment for solving problems.

The Franklin has weathered 47 years which have included war, epidemic, and financial uncertainty throughout the country, without faltering. It has always been in the vanguard for new ideas, and offers its agents both elementary and advanced study courses.

You can be sure of The Franklin's stability and of the tools it offers for estate building.

THE FRANKLIN LIFE INSURANCE COMPANY Springfield, Illinois

My Company

Because Fidelity is a good company to work with, its field men instinctively say "my company." This reputation has been built by more than a half century of fair dealing under live-and-let-live contracts with close Head Office cooperation.

Fidelity Offers

Modern policy forms and an exceedingly successful lead service. It operates in thirty-nine states, including New York, on a full level net premium basis. It has more than \$424,000,000 insurance in force, is financially solid and steadily growing.

Income for Life Family Income Low Rate Life

The FIDELITY MUTUAL LIFE INSURANCE COMPANY PHILADELPHIA

WALTER LEMAR TALBOT, President

Send for booklet
"The Company Back of the Contract"

Organized Operating

The Guardian Fieldman is equipped with organized visual presentations of proved selling power to satisfy the demands of today's life insurance estate builders.

The \$1-a-Week Plan, the Family Income Presentation, the Estate Digest, and the Special Income Annuity Presentation are only a few features of the tangible cooperation between the Guardian Home Office and the Field.

THE GUARDIAN LIFE
ESTABLISHED 1860
INSURANCE COMPANY of AMERICA
50 UNION SQUARE . . NEW YORK CITY

THE MANHATTAN LIFE INSURANCE COMPANY

654 Madison Avenue at 60th Street

New York City

Founded 1850

Thomas E. Lovejoy, President

Over Eighty-One Years of Continuous Service

that it is not impossible as yet to make any definite announcement as to the plans for that convention, except that it will be "the best and most effective accident and health meeting ever held."

Rules Truck Is Private Motor Driven Vehicle

The word automobile is the general name adopted by popular approval of all forms of self-propelling vehicles for use on the highways and streets and an industrial travel and pedestrian policy covering in a "private motor driven automobile" covers death to the assured while driving a truck.

This was the decision of the Kentucky court of appeals in *Life & Casualty of Tennessee vs. Metcalf*.

The court held that the absence from the policy of express, unequivocal language expressly excluding a truck by appropriate words saving the company from liability to the assured when a collision occurs while riding in a private motor driven or self-propelled vehicle, other than an automobile used for pleasure or transporting passengers, has convinced the mind that by use of the word automobile it did not thereby exclude a private motor driven truck.

"Shooting Self-inflicted"

Accidental suicide is described by the term "shooting self-inflicted" the United States district court for the northern district of Oklahoma has held in *Lemmon vs. Massachusetts Protective Association*. The policy provided that self-destruction is excluded and that benefits for "shooting self-inflicted" shall be one-fifth the accidental death indemnity. Lemmon contended that "shooting self-inflicted" as used in the policy means

an intentional self-inflicted wound by shooting and does not contemplate an accidental shooting. The court said that because of the exclusion of self destruction under the provision of the policy, this contention is untenable.

Frame Quarterly Premium Draft

Details of the tentative agreement recently reached by a group of quarterly premium accident and health companies in regard to policy phraseology and underwriting practices are now being worked out and are expected to be ready for presentation at the meeting of the executive committee of the Health & Accident Underwriters Conference in Chicago Friday. While this is not a conference proposition, most of the companies interested are members of the conference and it is believed that the discussion of the plans proposed will be of interest to all member companies. The executive committee meeting will be open to representatives of conference companies only.

Oral Contracts Prohibited

Oral contracts for accident insurance are prohibited in Illinois, the Illinois supreme court has held in affirming a judgment for the defendant in an action brought against a company on an alleged oral contract for accident insurance. The case was entitled *Pralle vs. Metropolitan Life*.

The fact that the agent has received the first year's premium with the application and that the insurance was to become effective as of the date of the application if the application was accepted does not permit recovery in an action at law, even if the company would have issued the policy except for information received that the applicant had met an accidental death, the court held.

NEWS OF THE COMPANIES

Hope to Save Institution

Plans Being Formulated to Get the National Benefit Life of Washington Restored

WASHINGTON, D. C., Dec. 3.—Insurance Superintendent H. L. Davis hopes by some means to get the National Benefit Life, the Negro company now in the hands of a receiver, restored although its reserve is over \$2,000,000 impaired. Some startling revelations are coming to light which may later on partially explain the company's plight. Secretary and General Manager S. W. Rutherford, founder of the company and his son, President R. H. Rutherford, are ousted. The company nearly broke its back in taking over the remains of the old Standard Life of Atlanta which had been gutted by white manipulators. The National Benefit found itself loaded with frozen securities.

Roper Analyzes Company's Condition

Receiver Roper has had a full analysis made of the condition of the company. He has advised policyholders to continue to pay premiums which are loaded well beyond the average. It is hoped to induce some philanthropists to save the institution for the benefit of the policyholders. First the stockholders will be assessed. Some lien system may be devised and then generously minded men will be appealed to make up the deficit. Maybe the company can be mutualized and its financial control be placed in the hands of responsible and competent men.

President Rutherford carried \$200,000 life insurance payable to the National Benefit. The receiver has decided to pay the premium and continue the insurance.

Commissioner Dulaney has appointed M. J. Harrison as Arkansas ancillary receiver for the National Benefit.

Home Friendly Modernized

President C. H. Taylor Has Introduced Up to Date Methods and Had Its Policies Revamped

President C. H. Taylor of the Home Friendly of Baltimore is doing some creative work in connection with that company. He was formerly secretary. In studying accounting methods and agency records he felt a new system should be inaugurated in order to show the actual results. This was done. An immediate saving was revealed. He was put in the presidency, studied all phases of the company, with the result that it is now modernized. He had new life policies drawn up so that Home Friendly agents could have contracts to enable them to meet up to date companies. Its juvenile policies are particularly attractive.

The Home Friendly built up its business on sickness and accident. A few years ago it started to write life. President Taylor, on analyzing the company's experience found that the money was being made in the life department. So he started stimulating that end of the company. Now the business is just about evenly divided. He is working toward a gradual reduction of accident and health and a consequent increase of life.

President Taylor is a hard worker. In the seclusion of his own home, where he is not interrupted, he does much company work.

Mutual Life of Baltimore Shows Gains in Ordinary

The Mutual Life of Baltimore has coordinated its ordinary and industrial agency and field work under Agency Manager R. O. Wehrheim. This has

unified
has be
of the
train
as an
know
true
increa
year.

WA
Local
feelin
being
surren
movin
and b
able
does
and c
agen
Conti
and a
ting a
and comp
the H
Chis
H. A
both
A
agen
resign
healt
for a
post,
writ
ST
tual
final
hope
busin
Dece
of th
and
recor
mont
chair
Up
regul
ahead
show
The
is ru
only
this
sult
with
Free
Nor
cons
net
incre
prov
the
of L
that
who
orga
exec
on th
socia
F. C
Rod
A. C
H. I
of F
posit
bona
it w

The
Life
ings
&
app
Nati

unified the organization. Mr. Wehrheim has been on a six weeks visit to all parts of the territory. He was thoroughly trained in the industrial ranks, starting as an agent. Hence he has practical knowledge of the problems. The Mutual Life will show more than \$2,000,000 increase in new ordinary business this year.

Washington Companies Find Loan Demands Still Heavy

WASHINGTON, D. C., Dec. 3.—Local life companies, like all others, are feeling the effect of the times. They are being bombarded for policy loans and surrenders. Lapses are heavy and business hard to get. Nevertheless, they are moving along, conserving what they can and building for the future. The Equitable Life of the District of Columbia does only life business, both industrial and ordinary. It has a well established agency force. The Peoples Life and Continental Life were originally health and accident companies but now are getting away from that end of the business and are concentrating on life. Both companies see far more in the life than the health and accident field. M. W. Chiswell, president of the former, and H. A. Bartholomew of the latter are both experienced executives.

A. S. Maddox, vice-president and agency head of Our Home Life, who resigned last January on account of ill health, and who went to the hospital for an operation, has returned to his old post, completely restored to strength. It writes only ordinary.

Minnesota Mutual Drive

ST. PAUL, Dec. 3.—Minnesota Mutual Life agents set out this week in a final drive of the year by which they hope to put the 1931 total of regular business above 1930. For several years December has proved the biggest month of the year for the Minnesota Mutual and the company hopes to maintain this record this year. December is "Randall month," in honor of E. W. Randall, chairman of the board.

Up to Nov. 1, Minnesota Mutual's regular business this year was slightly ahead of last year. Group business showed a falling off.

North American's Showing

The North American Life of Chicago is running about 35 percent ahead not only on written but also paid business this year. Business is booming as a result of the silver anniversary campaign with many unusual features devised by Freeman Alford, publicity director. The North American has had an excellent conservation record this year and the net result is expected to be a substantial increase of business in force.

New Lincoln Life Company

The Nebraska department has approved the articles of incorporation of the Golden West Insurance Company of Lincoln, the 16th life company for that city. W. B. Rood of Des Moines, who is moving to Lincoln, is the chief organizer and will be the managing executive. The company will operate on the mutual, legal reserve basis. Associated with Mr. Rood are L. C. Rood, F. C. Henderson, W. M. Toole and Rodney P. Fagen, all of Des Moines; A. C. Flowers, J. E. Campbell and K. H. Kittoe of Omaha, and J. H. Heine of Fremont. It will be required to deposit \$30,000 in securities and have 200 bona fide applications for policies before it will be licensed.

Hobbs Favors Merger

The merger of the National Savings Life of Kansas and the National Savings Life of Missouri with the Farmers & Bankers Life of Wichita has been approved by the stockholders of the two National Savings companies and the Kansas commissioner is ready to ap-

prove the contract. But the Missouri department has blocked the merger through a receivership proceeding instituted a few hours after the stockholders had voted to approve the merger.

"I think the contract is the best that can be made in the interest of the policyholders," said Commissioner Hobbs of Kansas. "I am ready to approve the merger when it is presented to this department. Of course this may not be done until the receivership in Missouri is determined."

The National Savings of Missouri owns practically all the stock of the National Savings of Kansas.

Occupying New Addition

The Lincoln National Life is now occupying the newly completed wing of the home office building, made necessary by the rapid growth of the company's business. Several of the departments have been enabled to expand their office space since the completion of the addition. It provides about a fourth more actual office space.

Colonial Life's 34th Anniversary

The Colonial Life of Jersey City is celebrating its 34th anniversary. The company was incorporated Nov. 22, 1897, and started business the next January. E. J. Heppenheimer, who has been connected with the company since its inception, has been president since 1906.

Ontario Equitable Appointments

The Ontario Equitable Life & Accident has appointed C. A. Dunning, a vice-president of the company, chairman of the investment committee and J. C. Haight, its solicitor, a director and vice-president.

Virginia L. & C. Reduces Capital

The Virginia Life & Casualty of Richmond has amended its charter, reducing the par value of its shares from \$10 to \$5 and reducing its actually issued and outstanding capital stock from \$200,000 to \$100,000. T. Elwood Tragle is president.

Receiver for Negro Company

Louis Tarlowski, Little Rock, Ark., attorney, has been appointed receiver for the Southwestern Life of Pine Bluff, Ark. The concern is a negro mutual assessment company.

The All-States Life, Montgomery, Ala., has moved into larger quarters in the Bell building. It now occupies about half of the twelfth floor, giving about 50 percent more floor space than it had formerly on the third floor.

ASSOCIATIONS

Michigan Convention Planned

Dr. Huebner to Speak at Lansing Meeting—Educator's Committee to Consider Insurance Courses

LANSING, MICH., Dec. 3.—Definite plans for a pretentious "insurance day" on Dec. 11 in connection with the annual convention in Lansing of the Michigan State Life Underwriters Association were outlined at a meeting of the Lansing association, which has designating committees to handle arrangements for the event.

Dr. S. S. Huebner, University of Pennsylvania, will speak on "Life Insurance, the Great Financial Emergency Safeguard." Election of officers and discussion of sales methods will feature the sessions exclusively for underwriters.

A committee of prominent educators to entertain any further proposals of the education committee of the Michigan association toward establishing more adequate insurance courses in the public schools has been named by Webster Pearce, superintendent of public in-

General Agency Opening

in Chicago

with an

Eastern Life Insurance Company

Chicago Agency Has Been Established for 23 Years

Company pays office rent, clerk hire and all incidental expenses.

Home Office Supervisor, temporarily in charge, is seeking a young man who will come into the organization with the idea of becoming General Agent for the Chicago territory within six months or a year, or sooner if it becomes evident that he is capable of handling the job satisfactorily.

All applicants will be carefully scrutinized as to character, business record, financial status. No advances. This is a very superior company and is offering a splendid opportunity to a superior man. Company's lapse rate is one of the lowest in the United States. Premium income on well seasoned business in force in the City of Chicago in excess of \$100,000.00 per year.

No consideration will be given to applicants who do not give full information in replies.

Address in confidence **U-49**, The National Underwriter.

A Head-High Investment

Sell life insurance for what it is. An investment! But let us not unjudiciously lambaste bonds, stocks, and mortgages. For they are the necessary credit devices that underlie our entire national structure, and must and will continue to do so. Their ownership by prospects is meritorious and not condemnable,—provided:—

Provided that the buyer,—if of strictly limited means,—has first by life insurance provided as completely as possible for his family and his own later years;—and that he does not margin-gamble any part of the money which should be, for safety's sake, entrusted to life insurance, or place reliance for his family and himself solely in securities whose income may be diminished or suspended. Life insurance for such a man is an investment head-high among all types of securities,—giving certainty of income for his family or for his later years. That is his paramount investment requirement.

THE PENN MUTUAL LIFE INSURANCE CO.
PHILADELPHIA

WM. A. LAW, President

Independence Square

Founded 1847



SOMETHING NEW THAT IS NEW IN LIFE INSURANCE

A Dollar's worth for every Dollar paid regardless of kind of policy purchased

A \$1,000.00 Endowment Policy, any age at issue, guarantees \$1,961.54 plus Dividends in event policy becomes a claim the year it matures.

Our Twenty Payment most remarkable policy of all—too much to write about in this advertisement.

We have Ordinary with and without Cash accumulation. Without cash value it furnishes Pure Protection Life insurance at non-participating rates but on a participating basis—it is estimated dividends will amount to 50% within a few years, based on actual experience past five years.

Juvenile Policies—Ordinary, Twenty Payment and Endowment from birth, with all the fine features of our Adult Policies.

Many other forms of Policies equally attractive.

Operating in Illinois, Michigan, Indiana and Missouri

INTERSTATE RESERVE LIFE INSURANCE COMPANY

A Mutual Legal Reserve Life Insurance Company
Ten East Pearson Street :: :: :: Chicago

An UNUSUAL Contract

will be offered to

An UNUSUAL Man

WHO

- is a producer
- is, of course, honest
- has three years of experience
- needs no financing
- is seeking opportunity
- will WORK
- can organize
- needs no drawing account or salary
- needs no office expense

BUT

WHO will accept Home Office help in the appointment of new Agents under him for whom he will not be responsible financially and yet on whom he will receive overwriting Commissions as high as \$4 per thousand and long time Renewals.

THE COMPANY—is rated "A" by Best. Its rates for Insurance are extremely low

(Age 35 Ordinary Life Net Cost
First year per thousand \$17.85)

It writes all latest forms—Participating only—including an improved Family Income form; also Juvenile. Has over \$135,000,000 in force.

TERRITORY—The Company desires especially to develop Indiana, Illinois, North Carolina and Texas.

ASSISTANCE—Experienced field men to help the man selected to build a real agency in which the Renewals are NON-FORFEITABLE.

WE WANT AN UNUSUAL MAN

UNLESS you have no present connection, or you have a real reason for leaving your present connection and are not at fault yourself, we are not interested. Write fully about yourself. We will not communicate with references until after interview. **Write U-50, The National Underwriter.**

struction. The committee will be purely for "contact" purposes, Mr. Pearce said, to consider plans when submitted by the life underwriters. It was indicated recently at a conference in Lansing of educators, business leaders, state officials and life association leaders that some supplementary material on life insurance for use in connection with existing courses would be acceptable but it was considered unwise by the school officials to devote a special course to the subject.

* * *

Detroit—The annual meeting of the Detroit association Dec. 10 will be featured by a tribute to the past presidents of the 40-year-old organization, according to plans arranged by President H. E. Van de Walker, Michigan supervisor of the American Life, and his officers. M. L. Woodward, general agent Northwestern Mutual and past president of the association, has been appointed chairman of the past presidents' program.

President Van de Walker will conduct the regular meeting, including the election of officers, after which Mr. Woodward will introduce his predecessors and successors in the executive office, each of whom will give reminiscences of other days of the organization.

* * *

Baltimore—At the meeting of the Baltimore association Dec. 3, Dr. W. B. Bailey of the Travelers was to speak on "The Place of Life Insurance in the Present Business Cycle," and R. B. Hull of the National association on "The Road to Security—The American Plan."

* * *

Columbus, O.—The Columbus association will hold a dinner meeting Dec. 14. The speaker will be T. M. Riehle, Equitable of New York, New York City, vice-president of the National association.

A class of 30 men and women, representing eight companies, is taking the first section of the C. L. U. course under the auspices of the Columbus association. Harry Wood is leader of the class. There were more applications than could be accommodated.

* * *

Boston—The Boston association is cooperating with the Boston C. L. U. chapter in sponsoring a comprehensive educational course, designed as well for those who are not preparing for the C. L. U. examinations as well as for those who are. The course is being given Tuesday and Thursday of each week in the assembly hall of the New England Mutual Life. Tuition is \$20. The books recommended by the American College of Life Underwriters will be used. The first semester will be devoted to topics embraced in the first C. L. U. examination. Beginning in March, a course of life insurance salesmanship will be started to prepare for the second of the C. L. U. examinations. In the future more advanced courses are projected.

* * *

Colorado—Max A. Derryberry, Pueblo, Colo., agency director of the New York Life, was elected vice president of the Colorado association to fill a vacancy at a special meeting of the executive committee. He succeeds the late H. C. Whipple of Pueblo.

Karl G. Gumm, superintendent of agencies of the National Life of Vermont, spoke on "Pinch Hitting" at the monthly dinner meeting of the association at Denver. John A. Stevenson, vice-president Penn Mutual, who had been scheduled to speak, was unable to appear since he was drafted for President Hoover's unemployment relief campaign. George T. Bryson, inspector of agencies of the Sun Life, was also a speaker.

* * *

Sacramento, Cal.—Richard Cohn, chairman of the committee appointed by the Sacramento association to take up the question of part time agents, has reported that his committee is busy formulating plans for the elimination of part timers holding political and school jobs, particularly. Mr. Cohn points out that these operators are cutting into the field of the full time men and that they are neither by training nor ambition qualified to sell life insurance.

The committee is considering the desirability of formulating an agreement among managers and general agents whereby every agent entering the business in Sacramento would be given a contract for six months and if he remains beyond that time would be expected to become a full time man.

Grover Nissen, agency manager for the California Western States, chairman of the membership drive, reported 36 new

ACTUARIES

CALIFORNIA

Barrett N. Coates Carl E. Herfurth
COATES & HERFURTH
CONSULTING ACTUARIES
114 Sansome Street 437 So. Hill Street
SAN FRANCISCO LOS ANGELES

ILLINOIS

DONALD F. CAMPBELL
CONSULTING ACTUARY
160 N. La Salle St.
Telephone State 7398
CHICAGO, ILL.

L. A. GLOVER & CO.

Consulting Actuaries
128 North Wells Street, Chicago
Life Insurance Accountants
Statisticians

J. Charles Seitz, F.A.I.A.

CONSULTING ACTUARY
Author "A System and Accounting for a Life
Insurance Company."
Attention to
Liquor Reserve, Fraternal and Assessment Business—
Pensions
Phone Franklin 6550 Chicago

INDIANA

Haight, Davis & Haight, Inc.
Consulting Actuaries
FRANK J. HAIGHT, President
Indianapolis, Omaha, Kansas City

HARRY C. MARVIN

Consulting Actuary
307 Peoples Bank Building
INDIANAPOLIS, INDIANA

MISSOURI

ALEXANDER C. GOOD
Consulting Actuary
807 Paul Brown Building, St. Louis
and
800 Securities Building, Kansas City

NEW YORK

MILES M. DAWSON & SON
CONSULTING ACTUARIES
500 Fifth Avenue New York City

A-B-C
of
Disability Insurance
125 pages
Price \$1.

Order from
The National
Underwriter
175 W. Jackson
Bldg.,
Chicago

members, bringing total membership to 145, a gain of more than 200 percent over last year.

Deputy Commissioner Beckett addressed the last meeting, telling something about the operation of his office.

Ralph Scott of the Equitable, a member of the committee on assessment benefit associations, reported that one such association had recently paid a claim in full, after first disclaiming liability, as a result of the activities of the Sacramento association.

* * *

Los Angeles.—The second of the series of educational meetings of the Los Angeles association was devoted to a discussion of "Old Age Income Through Annuities." Kellogg Van Winkle, Equitable of New York, chairman of the educational committee, presided and in the absence of R. H. Heartman, Union Central Life, who was unable to attend on account of illness, gave a brief review of the subject, as did A. M. Davis, Provident Mutual Life. In a joint discussion by Isabel Daugherty, Pacific Mutual Life, and Leonore Walsh, Aetna Life, with the audience as the prospect, Miss Daugherty gave the approach and the general setup for the interview, Miss Walsh following with a comparison of the advantages of an annuity over other forms of investment. Percy MacNab, Phoenix Mutual, spoke of the publicity given to annuities through his company's national advertising campaign. The closing feature was an interview between G. B. Harper and E. E. Engels, assistant managers of the Van Winkle agency.

At the meeting of Dec. 16 "The Approach" will be discussed by W. G. Gastil and Floyd Forker, Pacific Mutual Life.

* * *

Los Angeles.—Howard Jones, football coach for the University of Southern California, was entertained by the Los Angeles association at luncheon Monday. Mr. Jones gave his observations of the thrilling game which Southern California won from Notre Dame by a score of 16 to 14.

Walter G. Gastil, assistant manager of the home office agency of the Pacific Mutual Life, addressed the luncheon on "Life Insurance as an Investment."

* * *

Peoria, Ill.—The meeting of the Peoria association Friday evening is to be past presidents' night. Lynn Tracey of Chicago, the first president of the Peoria association, will be on hand, as will C. O. Fischer and J. R. R. Martin of St. Louis.

The principal speaker is to be Laurance Simon of New York City, one of the largest producers of the Massachusetts Mutual.

* * *

Waterloo, Ia.—The Waterloo association will hold its annual sales congress Dec. 5. Earl Smith, educational director of Equitable Life of Iowa, will speak on the "Royal Road to Accumulation"; Commissioner E. W. Clark of Iowa on "Co-operation"; Julius Gilbert, agency organizer, Mutual Life of New York, "Meeting Present Day Objections"; Prof.

R. O. Skar, Iowa State Teachers College, "Funny Side of the Business Depression," and F. J. Patten, Equitable Life of New York, Klingman agency, "Selling Under Present Conditions." The New York Life will also give a playlet, "Dangerous Delay." At the banquet, Lester O. Schriver, secretary National association, will speak on "Life Underwriting and the Depression."

* * *

Chicago.—John Morrell, big producer of the Equitable Life of New York organization in Chicago, will be the chief speaker at the Dec. 17 meeting of the Chicago association in the Hotel Sherman. Mr. Morrell is a nationally known expert on business insurance and life trust matters.

* * *

Omaha.—Elbert Storer of Indianapolis, president of the National Association of Life Underwriters, addressed the Omaha association Monday.

* * *

Louisville.—Joe Weill of Owensboro, Ky., district manager Mutual Benefit Life, spoke on "Weekly Production" before the Louisville association.

* * *

Cleveland.—Karl G. Gumm, assistant superintendent of agencies of the National Life of Vermont, former state manager for the Peoria Life in Cleveland, and former director of the Cleveland association, will talk before that body Dec. 18 on "A Plan That Has Been Used Successfully."

* * *

Des Moines.—L. O. Schriver, Peoria, Ill., secretary of the National association, will address the next meeting of the Des Moines association. Mr. Schriver has been with the Aetna Life for 18 years and is now general agent at Peoria.

* * *

Oklahoma.—Under the direction of President J. A. Woods and Jesse Todd, chairman of the membership committee, a campaign is being launched to raise the membership of the Oklahoma association to 300. The association's roster last year carried 240 names.

* * *

Wichita, Kan.—Arthur D. Lynn, general agent Massachusetts Life, and M. F. Mulconery, agency director New York Life, addressed the regular monthly luncheon meeting of the Wichita association. General conditions of the business were discussed.

Price to Speak in Boston

"The Integrity of Trust Funds in the Hands of Corporate Fiduciaries," an analysis in detail of the safety of trust funds when a trust bank closes its doors, will be discussed at the meeting of the Boston Life Insurance Trust Council Dec. 8 by Gwilym A. Price, vice-president and trust officer of the Peoples-Pittsburgh Trust Co.

The presidents of the New England life companies and executives of the leading fiduciary institutions in Boston have been invited to attend.

WANTED! Men who live in ARKANSAS

to learn the interesting story concerning agency contracts for open territory the Southland Life has to offer YOU. For the complete facts write Clarence E. Linz, First Vice-President.



HARRY L. SEAY, PRESIDENT

STATE MANAGER WANTED for COLORADO

This opportunity awaits the man WHO

has a background of successful underwriting

has proved his ability to organize

is willing to put honest effort into the building of a real Agency

can furnish suitable references as to honesty, character and ability.

To this man we offer an outstanding Manager's contract.

If you believe you are the man to fill this position, write fully about yourself. Your communication will be treated confidentially.

Write Box U-52, The National Underwriter

Your Active Partner---

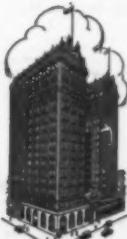
Jefferson Standard Contracts are direct with the Company. This Company is the active partner of every representative in the field.

Our representatives enjoy this working partnership that supports their efforts with efficient cooperation.

We perform our part in the partnership by supplying our representatives with liberal working contracts, up to date policies, modern sales helps and methods, a fine institutional standing, and excellent policyholder treatment.

Our representatives profit from full advantage of this partner-like interest, cooperation, and support. . . A good Company to be connected with.

For information address:
A. R. Perkins, Agency Manager



JEFFERSON STANDARD
LIFE INSURANCE COMPANY

JULIAN PRICE, President

Greensboro, North Carolina

MORE THAN 370 MILLIONS IN FORCE

Home Office

Clarence L. Ayres
President

Claris Adams
Executive Vice-President

ESTATES ANALYSIS

THE AMERICAN LIFE INSURANCE COMPANY maintains an ESTATES ANALYSIS DEPARTMENT which provides Agents without cost a complete Analysis of their clients' Estates.

It also draws all necessary documents, including Trusts, Wills, Partnership Agreements, Stock Elimination Agreements, etc.

This is only one feature of the AMERICAN plan of complete cooperation.

AMERICAN LIFE
INSURANCE COMPANY
DETROIT, MICHIGAN

In Cleveland-It's
THE HOLLENDEN
at
REDUCED RATE
Now Starting at \$2.50 Single - WITH BATH

FOUR-station radio in every room of this most popular hotel, already famed among experienced travelers for its homelike comfort, good food and excellent service.

The \$2.50 Single, base rate, is effective in these DeWitt Operated Hotels:

AKRON
MAYFLOWER
C. J. Fitzpatrick, Mgr.

CLEVELAND
HOLLENDEN
Elmer Hogren, Mgr.

COLUMBUS
NEIL HOUSE
Tom A. Sabroy, Mgr.



**FORTY
Unusual Plans FOR SELLING LIFE INSURANCE**

Leading underwriters have contributed to this unique book by J. Stanley Edwards. Price \$2.50. Order from The National Underwriter, A 1946 Insurance Exchange, Chicago.

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem," Published Annually in May and March respectively PRICE, \$5.00 and \$2.00 respectively.

Equitable's New Dividends Out

Schedule for 1932 Based on 4½ Percent Interest Rate Instead of 5 Percent

The Equitable Life of Iowa's new 1932 dividend scale, which is based on the interest rate of 4½ percent instead of 5 percent formerly used, follows:

Age	Ordinary Life					
	20	25	30	35	40	45
Prem...	19.02	20.13	22.85	26.38	31.05	37.36
Year Issued	Div.	Div.	Div.	Div.	Div.	Div.
1	4.93	5.24	5.67	6.20	6.78	7.65
2	5.00	5.31	5.76	6.29	6.91	7.80
3	5.05	5.39	5.86	6.38	7.04	7.95
4	5.11	5.47	5.97	6.47	7.19	8.14
5	5.18	5.56	6.08	6.58	7.36	8.33
10	5.57	6.05	6.52	7.23	8.10	9.36
15	6.03	6.47	7.14	7.93	9.04	10.24
20	6.44	7.05	7.80	8.82	9.85	10.89

20-Payment Life

Prem...	26.53	28.84	31.69	35.18	39.57	45.26
1	5.22	5.58	6.01	6.56	7.17	8.02
2	5.33	5.69	6.15	6.70	7.33	8.20
3	5.44	5.82	6.30	6.82	7.51	8.40
4	5.55	5.94	6.45	6.97	7.70	8.58
5	5.67	6.08	6.61	7.13	7.90	8.83
10	6.32	6.82	7.30	8.01	8.80	10.00
15	7.10	7.55	8.21	8.96	9.97	11.03
20	7.86	8.47	9.19	10.06	10.94	11.83

20-Year Endowment

Prem...	26.53	27.78	48.52	49.62	51.38	54.30
1	5.85	6.17	6.58	7.06	7.58	8.36
2	6.07	6.39	6.81	7.27	7.80	8.58
3	6.30	6.61	7.04	7.47	8.03	8.81
4	6.52	6.84	7.27	7.69	8.27	9.06
5	6.76	7.08	7.49	7.92	8.54	9.33
10	8.02	8.39	8.74	9.21	9.75	10.68
15	9.62	9.86	10.19	10.60	11.17	11.87
20	11.34	11.53	11.77	12.04	12.38	12.84

25-Year Endowment

Prem...	36.90	37.51	38.38	39.71	41.89	45.50
1	5.53	5.83	6.21	6.69	7.21	7.99
2	5.69	6.00	6.39	6.85	7.38	8.19
5	6.22	6.53	6.96	7.35	7.98	8.80
10	7.19	7.53	7.86	8.36	9.00	9.98

30-Year Endowment

Prem...	30.33	31.02	32.07	33.74	36.43	40.82
1	5.32	5.61	6.00	6.47	6.99	7.79
2	5.45	5.75	6.12	6.59	7.15	7.97
5	6.16	6.56	6.95	7.00	7.65	8.53
10	6.63	6.96	7.31	7.86	8.54	9.63

Endowment Age 65

Prem...	20.84	23.93	28.05	33.74	41.89	54.30
1	5.02	5.37	5.87	6.47	7.21	8.36
2	5.11	5.45	5.97	6.59	7.38	8.58
5	5.34	5.78	6.37	7.00	7.98	9.33
10	5.81	6.37	6.96	7.86	9.00	10.68

Endowment Age 85

Prem...	18.44	20.63	23.42	27.03	31.77	38.14
1	5.69	6.02	6.47	7.02	7.64	8.56
2	5.79	6.14	6.61	7.19	7.85	8.81
5	6.12	6.56	7.14	7.70	8.57	9.67
10	7.73	7.92	8.76	9.80	11.27	12.77

65 Endowment Age 85

Prem...	19.43	22.05	25.53	30.21	36.85	46.77
1	5.74	6.10	6.55	7.21	7.94	9.05
2	5.86	6.24	6.77	7.40	8.20	9.38
5	6.22	6.69	7.34	8.02	9.07	10.47
10	6.90	7.55	8.28	9.26	10.58	12.52

Wisconsin Life Reduces Its Dividend Scale 50 Percent

The Wisconsin Life has voted a 50 percent reduction in its 1932 dividends. The reduction is for one year only. In making the announcement, President N. J. Frey said that the present financial situation calls for conservative management and he considers it wise to reduce dividends in 1932. The first consideration is to maintain surplus that insures stability beyond the shadow of a doubt. "We could go along in the popular manner without decreasing our present dividends. But such a course we believe would indicate a lack of courageous management," Mr. Frey said that only 15 percent of the Wisconsin Life's investments were in farm securities and no new farm loans have been made since Jan. 1, 1927. The Wisconsin Life will continue to allow 5 percent on dividends

left on deposit, on installment options and advance premiums.

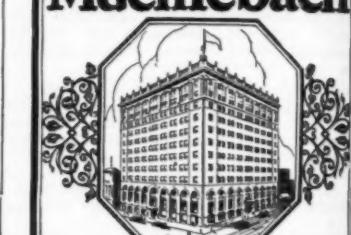
Harvester Life

The Harvester Life of Dallas has announced a new investment savings bond. It is issued in units requiring a \$10 quarterly deposit on continuous deposit and 20-payment plans. The value of the bond at maturity depends upon the age of the purchaser.

Bankers Continues 1931 Scale

The Bankers Life of Nebraska announces that its 1931 dividend schedule will be continued without change during 1932.

HOTEL Muehlebach


An outstanding hotel of the middle-west offering every service demanded by the most exacting guest.
Daily Amusements
Music and Dancing--Plantation Grill
Famous Trianon Cafe
Also Coffee Shop for Quick Service

Conservation and Reclamation of Life Insurance

The Otis Hann Co.
INC.
JACK ROBERTS HANN, Pres.
333
NORTH MICHIGAN AVE
CHICAGO

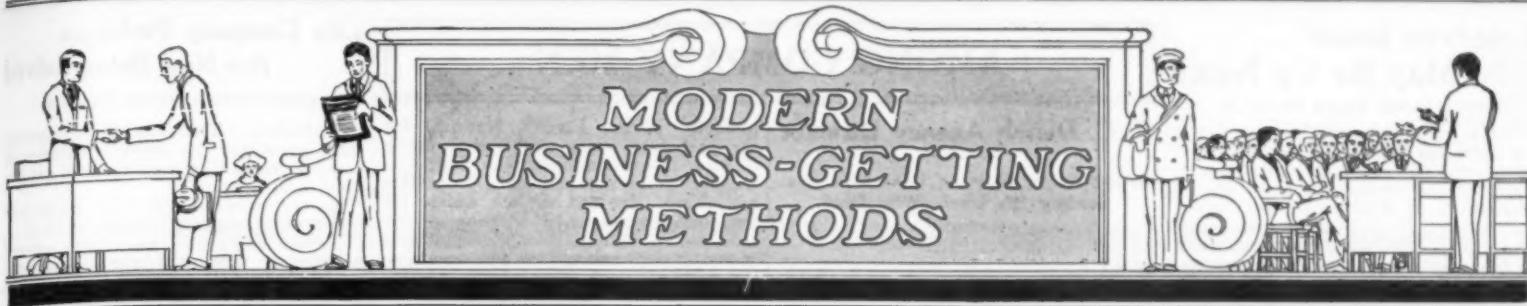
Scovell, Wellington and Company

ACCOUNTANTS—ENGINEERS
10 East 40th Street, New York

Boston
Springfield
Philadelphia
Syracuse
Cleveland
Chicago
Kansas City
San Francisco

SW &
A NATIONAL
ORGANIZATION
FOR
CONSTRUCTIVE
SERVICE

Insurance Audits
Budgetary Control



W. B. Bailey Sees Life Insurance as Antidote to Excessive Thrift That Brings Over-Capitalization

Declaring that as a nation people in this country were recklessly thrifty during the 1920's and that the country would have been better off if people had only tried to save half of the amount put aside, Prof. W. B. Bailey, economist of the Travelers, in a talk before the Baltimore Life Underwriters Association Thursday evening predicted that the next period of prosperity would likely be more sane and of longer duration than the last.

He based the opinion upon the adage, "the burned child shuns the flame," and also upon the belief that in the future people will be more content with reasonable savings and not so eager to attempt to become millionaires over night.

In spite of the tremendous expansion of instalment buying during 1922-1929, the American public saved at the rate of approximately ten billion dollars a year, it was said. This sum was represented as being the amount paid in life insurance premiums, the money put into savings banks, money invested in new issues of domestic stocks or bonds, investments in foreign bonds, and increases in corporate surpluses and all other forms of investments. So large a percentage of the country's national income was reinvested in additional plant facilities during the last period of prosperity that not enough was left to buy the output of the plant facilities that already existed, according to the speaker.

Nat'on Saved About 75 Billion in the 1920's

During the period of the 1920's the country saved between 75 and 80 billion dollars, he said, and because much of this money was used to expand the country's already existing ample production, banking and other business facilities, a large percentage of the savings has been lost.

In thrift, as in everything else, there was said to be a happy medium. "If we save too little," it was asserted, "our nation would be crippled for lack of capital facilities. If we save too much, much of that excess saved will be lost and also the return on existing capital will be jeopardized." A nation should save enough, it was asserted, to expand its capital facilities as fast as its population and needs increase, leaving a sufficient balance to spend to keep existing plant capacities reasonably fully employed.

Plan Releases More For Immediate Expenditure

Life insurance is capable of playing an important part in the stabilization and continuance of the next period of prosperity, and in so doing it will offer great opportunities to life insurance salesmen of the country, Professor Bailey said. With the desire for security deep-seated, the average person now is quite content to assure for himself and family a reasonable income for retirement, and he added that it is very likely that a growing number of persons will adopt the plan of investing a certain definite percentage of their incomes in life insurance each year.

Such a plan was said to be sound one

for the individual to follow, as it releases a larger percentage of a person's income for immediate expenditure and also affords to the person much better protection. It was pointed out that there are a number of reasons why saving money by means of buying life insurance is less likely to lead to reckless over-expansion than other methods of saving.

Only a small percentage of life insurance funds are used for purposes of industrial expansion, it was pointed out. "Life insurance money flows into government, state and municipal bonds, utility and rail bonds and first mortgages. Life insurance money goes to finance government, state and municipal projects of a public nature, schools, water supply systems, power plants, communications and homes, rather than into expansion of manufacturing, mercantile and financial concerns." Life insurance money, which is invested in such enterprises as railroads, communication systems, etc., goes where money is needed to develop these enterprises up to the point where they can meet potential demand rather than to expand enterprises beyond visible demands, it was said.

Insured Persons Not So Eager to Shoot the Moon

Another important factor why investment life insurance is a good antidote to reckless thrift, Professor Bailey declared, is to be found in the fact that a person who sets a reasonable retirement income as his goal and attempts to reach it by means of life insurance finds it

necessary to invest a smaller percentage of his income than the man who tries to do his own investing. Persons who make their investments in life insurance, according to Professor Bailey, are not as likely to attempt to become millionaires over night and to invest more than can properly be carried. For the person who has adopted the medium of life insurance to make certain of income in later years, compound interest is always at work 365 days in the year, it was pointed out, steadily building a fund for retirement while the full amount of the fund is guaranteed to the family in case of the policyholder's death. As a consequence, it was said, the man who uses life insurance as an investment as well as a means of protecting his family, finds himself free to spend a larger percentage of his income enjoying life today, rather than being forced to postpone many immediate luxuries and pleasures in the hope of greater luxuries later in life.

Although life insurance can never supplant every other form of investment, as there will always be need for money for development of new industry and other enterprises which are not suitable as investments for life insurance companies, Professor Bailey said that the next period of prosperity will likely be both more sane and of longer duration than the last, if a larger percentage of the nation's capital is invested by life insurance companies and a smaller percentage is recklessly thrown into the expansion of already ample plant facilities.

Mutual Life Payments

During the third quarter of 1931, the Mutual Life of New York paid a total of \$212,602 on the lives of persons who had been insured for less than one year. Double indemnity was paid under 17 policies in these cases.

Permanent Christmas Savings

Most companies these days are urging their agents to get Christmas selling campaigns under way. The sentiments of Christmas have long been found to be a favorable background for the life insurance salesman. One of the most stimulating messages to agents on this point is that of the Illinois Life, which says:

"There is a possibility that some may harbor the feeling, even though their objection may remain unvoiced, that life underwriters should not convert the spirit of Christmas to sales uses, that there is too great a tendency now to 'commercialize' Christmas and make of it merely another selling tool.

Christmas, Insurance Have Much in Common

"It is only too true that in some instances the Christmas appeal has been made the basis of purely selfish and thoroughly commercialized high pressure sales tactics. We have seen Mother's Day, Father's Day, and Valentine's Day (to mention only a few occasions) shorn of their sentimental and emotional value by this same process of commercializing.

"We offer a sympathetic echo to the protests of those who abhor modern sales methods which coldly exploit sentiment. But, at the same time, we do

contend that Christmas and life insurance have much in common.

"The spirit of life insurance and the spirit of Christmas go hand in hand. To accuse a life underwriter of commercializing Christmas by utilizing its appeal in his work would be, in our estimation, eminently unjust.

"What better motive can a man possess for turning to the protection of life insurance than love and affection for his family and dependents? And if Christmas brings these emotions to the surface and prompts a man to take further thought of those for whom he cares, who can censure the life underwriter for showing that man how life insurance will best serve the purpose?

"What gift could better express love, esteem, devotion, than a life insurance policy? No life underwriter need feel ashamed or think that he is taking unfair advantage in using the Christmas appeal in selling life insurance!

"All of this is prefatory to calling your attention to a fact the immensity of which may have escaped your notice: already or within the next few days twelve million members of Christmas savings clubs in this country have or will have received \$600,000,000 in cash! "Shouldn't some of this huge fund be placed in permanent Christmas savings as represented by life insurance?"

HOW A

Millionaire Answers

I have all the insurance I want.

Mr. Smith, how much insurance have you?

Fifty thousand dollars you say, and that is all the insurance you want? I congratulate you on having the \$50,000. It shows that you are a believer in insurance and that you realize the many benefits to be derived from it.

How did you purchase this insurance? In a lump sum or over a period of years? You say you bought your first thousand dollar policy 20 years ago and have been adding to that ever since?

Was there ever a time during this accumulation period when you thought you had enough insurance? Oh, you say when you had \$10,000 that was all you were going to buy? Why did you buy any more? Your first child was born? How many children have you now? Five, you say? What about living costs over the past 20 years? Have you found they have changed much? I see your rent is higher and all your bills are considerably more now. Isn't it likely this will be the case 20 years hence and have you considered the income and inheritance taxes which you are to meet under present circumstances?

I think, Mr. Smith, if you would fill out the estate survey, I am going to leave with you, showing first of all your gross estate and then your current liabilities; also estimated eventual liabilities; in other words, those expenses which come prior to and just after death, then, if you will deduct your current liabilities and eventual liabilities from your gross assets, it will show you what net estate you will leave your family. From this, I would suggest that you deduct all non-income bearing assets such as personal property, (clothing, furniture, books, art objects, jewelry, automobiles, etc., unimproved real estate, or that from which no rentals can be derived) this will give you the net income producing estate, which on a 5 percent yield will amount to so much.

Allowing for \$10,000 cash to take care of the immediate expenses of your family, you would have \$40,000 left which even at 6 percent would only yield \$200 per month. Could your family live on this amount? What is it costing you to live now? Have you taken into consideration the higher education for your children; the responsibility that evolves on you to get the boy started in business, and the expense involved in protecting the future welfare of your wife and daughters?

May I suggest, Mr. Smith, that after you have filled out this survey, that you allow me to program your insurance and be of whatever service I may in helping you to meet the obligations that will sooner or later confront your family.

First, if you have no objection, I would like to have Dr. Blank look you over so that we will know at the outset whether you are in a position to get more insurance in the event that should be necessary.

Thank you, I will make arrangements with the doctor.—G. V. Cleary, Reliance Life, Chicago.

Reserves Issue May Be Up Next

(CONTINUED FROM PAGE 3)

probably will retain the income clause on a restricted basis), it is inevitable that some very large company which has relinquished the clause will point out to some insurance department—very probably that of New York—that something ought to be done about increasing the disability reserves for those companies which are staying on this clause.

Expect Department Action

It seems probable that the majority of the life companies will discontinue the clause, and if and when this results, with the admission that disability cannot be written, at least by them with all their long underwriting experience, except at a loss, it is believed to be a natural corollary that insurance superintendents will require higher disability reserves. It is believed this will apply not only to the so-called "healthy lives," "morbidity" and "deferred liability" reserves, but also to the "disabled lives," or claim reserves.

As the executive analyzes the situation, those companies which have discontinued or are doing away with the disability income clause, may be expected to call the insurance departments' attention to the matter of reserves, since this is a logical defense in the competition which certainly will arise over disability.

May Be Major Issue

It is believed certain that it will not be very long before this issue of reserves will come strongly to light in the business, and the executive mentioned believes equally that the insurance departments will call for sharp increases in reserve standards.

Non-cancellable accident and health companies continuing on this cover have made no definite announcement as to their plans, but it is understood that they may be expected to drop the limits of monthly income risk on a single life from \$500 to \$300, with participation limits reduced from \$1,000 a month to \$750. Of greater importance is the undoubtedly rate advance which they will make. No announcement as yet has been made public, but it is believed to be certain that the non-can companies will raise their rates more than 50 percent of the present gross.

Other Changes in Offing

Other changes which they are confidently expected to make will be refusal to accept any applicant after age 50 and a continuation of the three months' waiting period, a form on which more than 80 percent of non-can appears to be written.

This latter anticipated action is in sharp contrast to the practice of those life companies which are continuing the disability income clause in raising their waiting period from four months to six months.

It is to be noted that most life com-

THE FORMULA OF SUCCESS

LIFE INSURANCE can be explained in plain, everyday language. The facts can be simply stated. People need to be told about life insurance by one who knows life insurance and its adaptability. Salesmen of integrity, ability and courage who will work systematically and plainly state the facts of life insurance service will be Masters of their craft and successful.

THE MUTUAL LIFE OF NEW YORK, with its long history of increasing success, offers opportunity. It writes Annuities and all Standard forms of life insurance. Double Indemnity Benefits. It has many practices to broaden and expedite service for Field Representatives and for Policyholders.

Those contemplating engaging in life insurance field work as a career of broad service and personal achievement are invited to apply to

The Mutual Life Insurance Company
of New York

34 Nassau Street

DAVID F. HOUSTON
President

GEORGE K. SARGENT
Vice-President and
Manager of Agencies

New York, N. Y.



The Pickett Plaque of Lincoln owned by
The Lincoln National Life Insurance
Company, Fort Wayne, Indiana.

AMONG COMPANY MEN

C. C. Deitch Agency Director

Appointed by Reserve Loan Life Succeeding His Uncle Who Died Recently.

Charles C. Deitch, who has been appointed agency director of the Reserve Loan Life, is well qualified for the position, having been with the company for 21 years. In recent years he has been identified with the field development work as assistant to his uncle, the late Guilford A. Deitch, whom he now succeeds.

Charles Deitch is well known to the agents throughout the territory in which the company operates as he has spent much time in studying their problems first hand through personal calls upon the agencies. He has a pleasant personality and is well liked by the field force. Much of the details of the department have been handled by Mr. Deitch for some years past and the promotion is more of a change in title than in the duties he has been performing. Also he has the benefit of experience in other departments, having at one time done actuarial work for the company.

Fisher Lincoln National's New Advertising Manager

The Lincoln National Life has appointed Edgar P. Hermann publicity consultant and Fred L. Fisher, Jr., advertising manager, effective Jan. 1. Mr. Fisher is a graduate of the University of Illinois and for the past three years he has been connected with the publicity department of the Lincoln National. He has had several years of successful experience in personal selling. He will edit the Lincoln National agency magazine, "The Emancipator," of which he has been associate editor. Mr. Hermann has been director of

panies are dropping their age limits for income and waiver disability from 55-60, respectively, to 50-55. This action cuts out all applicants after age 50 for disability income and eliminates all claims for income disability arising after age 55; and on the waiver clause eliminates applicants over age 55 and claims arising over age 60.

Dangerous Practice

The claims after age 55 have been regarded as unusually hazardous; in fact, any company which continues to cover disability after 55 is standing alone, or almost so, in its effort to give what is a very desirable but also a very expensive protection. It is expensive not only because of unusually heavy claims coming after that age, but also by reason of reserves which very prob-

ably will be heavily increased at the later age limit.

Any one who keeps his ear to the insurance ground cannot fail to be impressed with the idea that the pension hazard of disability is being more and more recognized and conceded. The non-can companies always have realized this to a greater extent than life companies, which appear to be seeking some measure of relief in the six months' clause substituted for four months.

Fear Life Indemnity

Non-can companies, it is said, have no thought of increasing to the six months' clause and have no fear of any hazard in the early claims. They emphasize entirely the peril of the man who gets sick and cannot or will not get well.

Life Company Problems Are Now Being Solved

(CONTINUED FROM PAGE 3)

iod previous. Therefore the companies must recognize the possible changes in earning power of money and not get beyond a safe point.

So far there has not been much fear expressed regarding double indemnity. However companies have been caught on double indemnity due to suicides even within the contestable period when suicide could not be clearly established. Accidental deaths are more prevalent. The companies writing accident insurance have undoubtedly been hit hard by principal sum payments. The accident feature will have to be carefully studied.

Competition May Bring Liberality

The double indemnity clause is more likely to come into play now that the income disability clause has been eliminated by a number of companies and greater restrictions being thrown about it by others while the agents are talking the virtues of the double indemnity clause. If companies therefore extend its provisions as they did the income disability in competition they may get into trouble. The accident companies are revising their policies because the double indemnity clause was extended to such an extent without additional premium and they found it was putting them on the wrong side of the ledger. Agents undoubtedly will swing pretty much to the double indemnity clause if they have not the income disability as an argument.

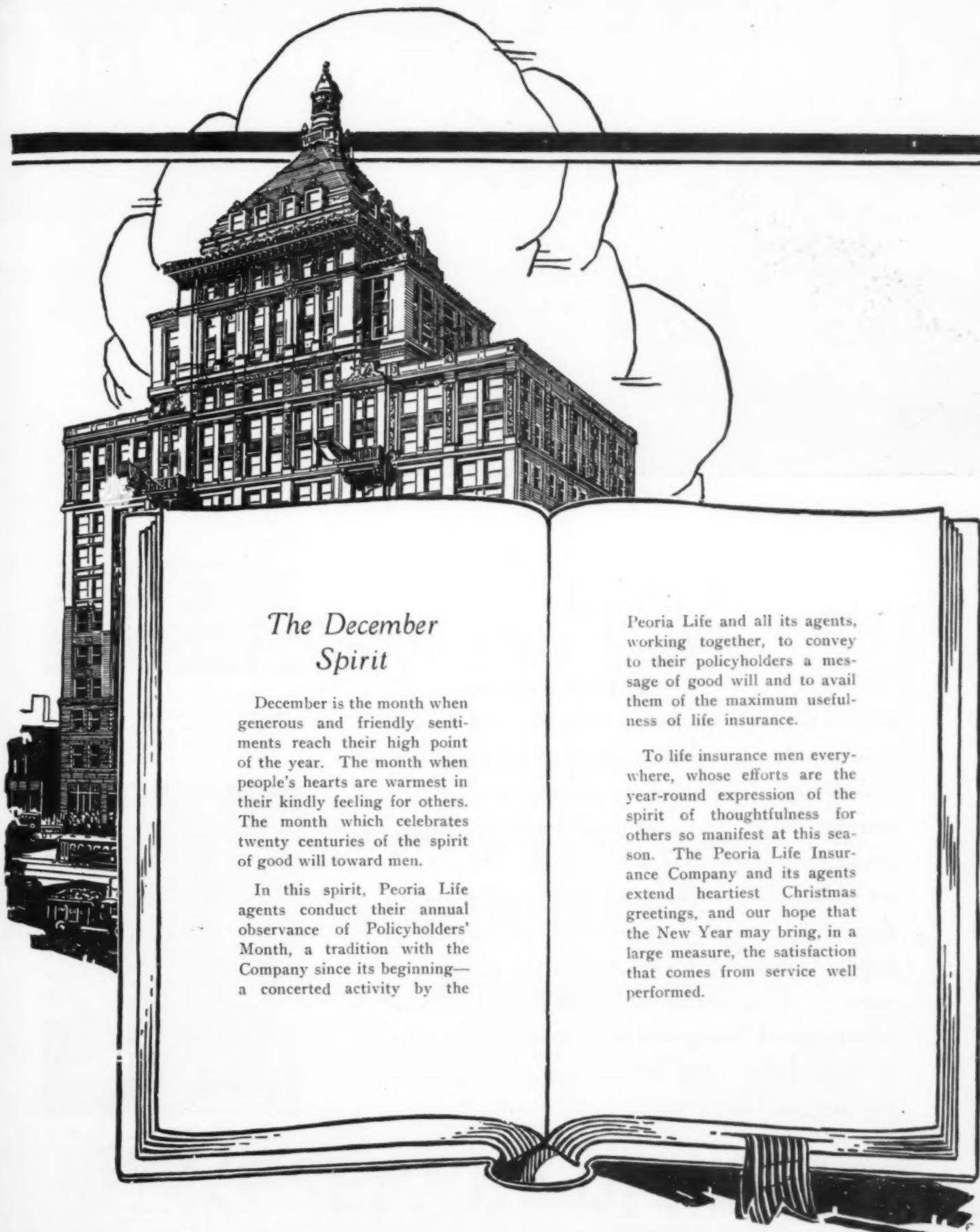
Much High Premium Business

One of the features over which officials are more or less troubled is the amount of investment business that has piled up owing to the new talking points that agents are bringing out as to life insurance being secure and dependable. The question naturally arises as to the earning power of money in years to come and next the facilities that companies have for making loans that are safe and sound. The investment of the ordinary reserves will tax some of the companies. The question comes up as to the further investment demands that will be made because of these thousands of investment policies.

Offers Convention Trip

The Pacific Mutual Life has offered to each agent who produces \$75,000 of business between Sept. 1 and Dec. 31, 1931, and pays for it before March 1, 1932, a free trip to the convention of the National Association of Life Underwriters in San Francisco next August.

In fact, the statement has been heard many times by accident and health company officials that any individual who is sick or disabled for one year and goes on the life indemnity pay-roll of the life or non-can company will stay there until he dies or is forced off.

olved
3)
panies
ages in
get be-ch fear
emnity.
caught
uides
when
lished.
valent.
nsur-
ard by
ccident.
tudied.
litys more
at the
elimi-
es and
about
s are
ndem-
ore ex-
the in-
y may
com-
because
is ex-
addi-
it was
of the
swing
emnity
the dis-ch of-
is the
at has
points
to life
dable.
to the
ars to
com-
at are
of the
up as
s that
islandsffered
000 of
c. 31,
Arch 1,
on of
nder-
August.heard
com-
rho is
goes
f the
there

The December Spirit

December is the month when generous and friendly sentiments reach their high point of the year. The month when people's hearts are warmest in their kindly feeling for others. The month which celebrates twenty centuries of the spirit of good will toward men.

In this spirit, Peoria Life agents conduct their annual observance of Policyholders' Month, a tradition with the Company since its beginning—a concerted activity by the

Peoria Life and all its agents, working together, to convey to their policyholders a message of good will and to avail them of the maximum usefulness of life insurance.

To life insurance men everywhere, whose efforts are the year-round expression of the spirit of thoughtfulness for others so manifest at this season. The Peoria Life Insurance Company and its agents extend heartiest Christmas greetings, and our hope that the New Year may bring, in a large measure, the satisfaction that comes from service well performed.

Peoria Life Insurance Company
PEORIA, ILLINOIS



John G. Shedd
Aquarium. A
recent addition
to Chicago's
fine institutions
for the spread
of knowledge.
Opened to the
public June 1,
1930. There are
152 exhibition
tanks and addi-
tional ones for
the fish hatch-
ery and reserve
specimens. . . .



Adler Planetarium. First institution
of its kind to be established in
America. Spectators sit beneath its
dome and watch a miniature universe
electrically operated by a lecturer.



Art Institute, incorporated 1879.
A treasure house of arts. Museum,
permanent collections, passing ex-
hibitions. Operating a school of arts.



Home of the Civic Opera Associa-
tion of Chicago. A rich part of the
city's cultural life. Twentieth sea-
son opened in October, 1930.

ILLINOIS LIFE INSURANCE CO.
ILLINOIS LIFE BUILDING CHICAGO 1212 LAKE SHORE DRIVE

Raymond W. Stevens, President

CHICAGO

*A Good Place to Live
A Good Place to Work*